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DATE: 9 May 2018

EXECUTIVE

Meeting to be held on Monday 21 May 2018

Please see the attached report(s) marked "to follow" on the agenda.

8 CAPITAL PROGRAMME OUTTURN 2017/18 (Pages 3 - 14)

Please find attached a corrected version of the report.

11a CONTRACT AWARD - SUPPORTED LIVING SCHEMES AT PADUA ROAD, BROSSE WAY AND BROMLEY ROAD (PART 1) (PAGES 15 - 18)

12 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

16	**CULTURE PROJECTS - CONTRACT AUTHORISATIONS** ***Please note that this report has been withdrawn from the agenda.***	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
17	**CONTRACT AWARD - SUPPORTED LIVING SCHEMES AT PADUA ROAD, BROSSE WAY AND BROMLEY ROAD** (Pages 19 - 24)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Copies of the documents referred to above can be obtained from http://cds.bromley.gov.uk/

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Report No.
FSD18041

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	**Executive**
Date:	**21st May 2018**
Decision Type:	Non-Urgent Executive Non-Key
Title:	**CAPITAL PROGRAMME OUTTURN 2017/18**
Contact Officer:	James Mullender, Principal Accountant Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk
Chief Officer:	Director of Finance
Ward:	All

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1. Reason for report

1.1 This report sets out the final outturn on capital expenditure and receipts for 2017/18. Capital expenditure in the year was £40.3m, compared to the final approved budget of £51.6m, agreed in February 2018 resulting in a total net variation of Cr £11.3m. For funding purposes, £3.5m slippage was assumed in the Quarter 3 capital monitoring report, so there was an overall variation of Cr £7.8m in the use of capital receipts and external and revenue contributions.

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2. RECOMMENDATIONS

2.1 The Executive is requested to:

(a) Note the report;

(b) Approve the following amendments to the Capital Programme for 2018/19:

(i) Increase of £15k to the 30 hours childcare IT scheme funded from the revenue grant underspend in 2017/18 as detailed in paragraph 3.2.1;

(ii) Addition of £178k to the capital programme to reflect additional Disabled Facilities Grant received as detailed in paragraph 3.2.2;

(iii) Addition of £116k to the Biggin Hill Memorial Museum scheme funded from revenue (£54k) and external contributions (£62k) as detailed in paragraph 3.2.3.

(c) Note that the Provisional Final Accounts 2017/18 report elsewhere on the agenda recommends that Council approves contributions of £2.6m to the Investment Fund and £2.3m to the Growth Fund as detailed in paragraph 3.13.3.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. For each of our portfolios and service priorities, the Council reviews its main aims and outcomes through the AMP process and identify those that require the use of capital assets. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
2. BBB Priority: Excellent Council:

Financial

1. Cost of proposal: Not Applicable: No additional cost.
2. Ongoing costs: Not Applicable:
3. Budget head/performance centre: Capital Programme
4. Total current budget for this head: £51.6m in 2017/18
5. Source of funding: Capital receipts, external grants/contributions & revenue contributions

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Staff

1. Number of staff (current and additional): 1 fte
2. If from existing staff resources, number of staff hours: 36 hours per week

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Legal

1. Legal Requirement: Non-Statutory - Government Guidance
2. Call-in: Applicable

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Capital Programme Outturn 2017/18

3.1.1 The final capital outturn for the year was £40.3m, compared to the revised budget of £51.6m approved by Executive in February 2018. The total net variation is Cr £11.3m, which is primarily due to slippage in Education Portfolio (Cr £3.8m), Environment Portfolio (Cr £2.9m) and Resources Portfolio (£3.5m), as summarised in the table below:

Portfolio		Latest Approved Budget 2017/18	Final Outturn 2017/18		Variation 2017/18
		£m	£m		£m
Education Portfolio		19.6	15.8	Cr	3.8
Care Services Portfolio		4.9	4.3	Cr	0.6
Environment Portfolio		14.7	11.8	Cr	2.9
Public Protection & Safety Portfolio		0.0	0.0		0.0
Renewal & Recreation Portfolio		3.8	3.3	Cr	0.5
Resources Portfolio		8.6	5.1	Cr	3.5
Latest approved Capital Programme		51.6	40.3	Cr	11.3
Less: further slippage assumed for financing purposes	Cr	3.5	-		3.5
		48.1	**40.3**	**Cr**	**7.8**

3.1.2 These slippages will be re-phased into 2018/19 as shown in Appendix 1. The variations detailed in sections 3.3 to 3.8 have all arisen since the 3rd quarter capital monitoring report.

3.1.3 As set out in the Capital Programme Monitoring (3rd quarter) report to Executive on 8th February 2018, further slippage of £3.5m was assumed for financing purposes, however the significant slippage during the final quarter has resulted in a variation in the overall use of capital receipts, external grants/contributions and revenue contributions of Cr £7.8m.

3.2 Variations requiring the approval of the Executive (£309k increase in 2018/19)

3.2.1 <u>30 Hours Childcare IT scheme (£15k increase in 2018/19)</u>

Subject to approval of the carry forward requested in the Provisional Final Accounts 2017/18 report elsewhere on the agenda, the Executive is requested to agree the addition of £15k to the 30 Hours Childcare IT scheme in 2018/19 for additional implementation resources, funded by the revenue grant underspend in 2017/18.

3.2.2 <u>Disabled Facilities Grant (£178k increase in 2018/19)</u>

In the Autumn Budget on 22nd November 2017, additional funding was provided for Disabled Facilities Grant (DFG), and in January 2018 the Council received the additional allocation of £178k. The Executive is asked to agree the addition of this amount to the DFG capital scheme.

3.2.3 <u>Biggin Hill Memorial Museum (£116k increase in 2018/19)</u>

Following scrutiny by the Renewal and Recreation PDS Committee at the meeting on 27th March 2018 the Portfolio Holder agreed a revenue contribution to capital of £54k for foundation works at Biggin Hill Memorial Museum, and noted the external contribution of £62k that had been secured for conservation works on the railings at St. George's Chapel of Remembrance. The Executive is requested to agree the addition of £116k to the Biggin Hill Memorial Museum scheme in 2018/19.

3.3 Education Portfolio

3.3.1 The slippage for Education schemes which has occurred since the third quarter monitoring is £3.8m against a total budget of £19.6m. This is mainly due to £2.4m on the Basic Need Programme where there were delays on the Trinity scheme as a result of La Fontaine remaining on site longer than planned, and delays on two schemes managed by an external contractor. There has also been lower contingency spend mainly due to scheme designs being taken to RIBA stage 4 before tendering.

3.3.2 The £0.4m for retention and final accounts at Glebe is still to be agreed and £0.4m on school modernisation is to be rolled forward as tenders are scheduled to be agreed in the summer for works to complete in 2018/19. The Highway Primary project is now complete and the £0.1m budget can now be returned to the Basic Need scheme, as can the Beacon House refurbishment which is now in defect period and anticipated to come in £0.4m under budget. All other variations have been re-phased into 2018/19.

3.4 Care Services Portfolio

3.4.1 The variation for Care Services schemes is Cr £0.6m against a budget of £4.9m. This is comprised of a number of variations, the main significant ones being £0.2m for PIL Fund for Property Acquisitions and Site K and £0.1m for Gateway Review of Housing IT system. The Disabled Facilities Grants has overspent slightly, by £0.1m; although this is offset by repayments, leaving a minor net underspend which is requested to be carried forward to 2018/19 as set out in paragraph 3.9.2.

3.5 Environment Portfolio

3.5.1 There was overall slippage of £2.9m since the third quarter monitoring on schemes in the Environment Portfolio compared to a total portfolio budget of £14.7m. This was mainly due to slippage of £1.2m on the Highways Investment scheme which was in part due to a change in the contractor for both major and minor highway works, and £0.6m on the Maintenance scheme.

3.5.2 There was also slippage of £0.5m on the LIP Formula Funding scheme due to a cautionary position being taken with budgets being reprofiled when TfL announced a 15% cut in funding which has since been retracted. Other scheme variations amounted to £0.6m slippage with primarily Borough Transport Priorities and Street Lighting due to scheme completion and final accounts to be agreed.

3.6 Public Protection & Safety Portfolio

3.6.1 There was no variation on the capital scheme in the Public Protection & Safety Portfolio. The CCTV Control room refurbishment project completed in 2016/17 and is in defect period. Retention sum to the contract is being held and will be paid once the whole system has been running successfully for a period of 12 months. The scheme will be reviewed and any residual balance will be removed from the programme as part of the quarterly capital monitoring during 2018/19.

3.7 Renewal & Recreation Portfolio

3.7.1 There was a net variation of Cr £0.5m on the capital schemes in the Renewal & Recreation Portfolio on a total portfolio budget of £3.8m. This comprised of accelerated spend on Biggin Hill Memorial Museum (£0.2m) and slippage on the Bromley MyTime Investment Fund (Cr £0.4m), Crystal Palace Park Alternative Management Options (Cr £0.1m), Chipperfield Road Development (Cr £0.1m) and Bromley North Village (Cr £0.1m).

3.8 Resources Portfolio

3.8.1 There was an overall variation of £3.5m on schemes in the Resources Portfolio compared to a total portfolio budget of £8.6m. This is mainly due to £0.4m slippage on Carbon Management (Invest to Save), £2.5m on the Property Investment Fund due to the planned investment property purchase in Medway (agreed in December 2017) being unsuccessful, and £0.6m across the various IT schemes from a total budget of £1.2m.

3.8.2 The slippage on ICT schemes since the third quarter monitoring is due to delays in commissioning services as well as technical issues in the Storage Area Network data migration, and delays migrating some 3rd party applications between Windows XP and Windows 7. These variations will be re-phased into 2018/19.

3.9 Block Capital Provisions

3.9.1 The outturn position for 2017/18 block capital provisions is shown in the table below:

	Budget 2017/18 £'000		Actuals 2017/18 £'000		Variance 2017/18 £'000
Resources					
Emergency Works on Surplus Sites	108		14	Cr	94
Care Services					
Disabled Facilities Grants - DFG	1,290		1,346		56
Disabled Facilities Grants - Repayments	0	Cr	61	Cr	61
	1,290		1,285	Cr	5
Total	**1,398**		**1,299**	**Cr**	**99**

3.9.2 The number of surplus sites/properties being held by the Property Division has increased in recent years, with a consequent increase in management and health and safety costs being incurred prior to disposal. The Executive is asked to approve the carry forward of the £94k underspend for emergency works at these sites, as well as the £5k underspend on DFG. The remaining unapplied portion of the DFG capital grant received to 31st March 2018 (a total of £1,447k) will be available to fund expenditure in 2018/19 and later years.

3.10 Financing of the Capital Programme

3.10.1 The financing of 2017/18 capital expenditure is compared below with the estimates reported in the third quarter capital monitoring:

Source of Finance	Budget £m		Actuals £m		Variation £m
Approved Qtr 3 Capital Programme	51.6				
Less - assumed slippage for financing purposes	Cr 3.5				
Total Capital Expenditure (net of slippage)	48.1		40.3	Cr	7.8
Financed By					
Usable Receipts	15.6		7.2	Cr	8.4
Revenue Contributions	3.0		8.3		5.3
Government Grants	18.7		20.2		1.5
Other Contributions	10.7		4.5	Cr	6.2
Total	**48.1**		**40.3**	**Cr**	**7.8**

3.10.2 During 2017/18, capital monitoring reports have been considered by the Executive on a quarterly basis, in July 2017, December 2017 and February 2018, and reported changes have been incorporated in revised approved Capital Programmes. These have similarly been reported quarterly to individual PDS Committees. For information, Appendix 2 provides a

comparison between the latest approved budget and the original approved budget for the year (agreed in February 2017).

3.11 Capital Receipts

3.11.1 Under the "prudential" capital system in operation from 1st April 2004, most capital receipts are "usable" and may be applied to finance capital expenditure. The final outturn in 2017/18 for new capital receipts from asset disposals was £8.8m, and was higher than the estimated figure reported to the Executive in February 2018 (£8.6m), due to an additional sale that completed.

3.11.2 The table below provides a breakdown of the unapplied capital receipts totalling £25.7m that will be carried forward to finance expenditure in 2018/19 and later years. £7.2m was applied for financing capital expenditure during 2017/18 as revenue contributions and external contributions covered the majority of the total capital expenditure. As has been the case for the last fourteen years, no contribution from the General Fund was required in 2017/18. To date, £20.3m of capital receipts have been earmarked to supplement the Investment Fund for the purchase of investment properties, of which £4.4m has been utilised to date, leaving £15.9m, so a total of £9.8m remains available to finance capital expenditure in future years.

		Usable Receipts £m
Unapplied Balance b/f April 2017		24.1
Total Receipts during 2017/18		8.8
Receipts applied to finance expenditure	Cr	7.2
Unapplied Balance c/f as at 31 March 2018		**25.7**
Receipts earmarked for Investment Properties	Cr	15.9
Balance available to fund future expenditure		**9.8**

3.12 Section 106 Receipts

3.12.1 In addition to capital receipts, the Council is holding a significant sum in respect of Section 106 capital contributions received from developers in recent years. These are made to the Council as a result of the granting of planning permission and are restricted to being spent on capital works in accordance with the terms of agreements reached between the Council and the developers. Section 106 receipts are held as a receipt in advance on the Council's balance sheet, the balance of which reduced from £7,980k as at 31st March 2017 to £6,583k as at 31st March 2018, as receipts used to finance actual capital expenditure exceeded those that were received. The remaining balance will be used to finance capital expenditure from 2018/19 onwards. Balances and in-year movements are shown in the following table.

Agreed Service Area	**Balance b/f 01/04/17 £'000**	**Receipts 2017/18 £'000**	**Expenditure 2017/18 £'000**	**Balance c/f 31/03/18 £'000**
Housing Provision	4,911	46	1,853	3,104
Education	2,890	1,574	1,153	3,311
Highways	82	0	0	82
Local Economy	97	239	336	0
Other	0	86	0	86
Total	**7,980**	**1,945**	**3,342**	**6,583**

3.13 Investment Fund and Growth Fund

3.13.1 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment Fund earmarked reserve (formerly known as the Economic Development and Investment Fund) to contribute towards the Council's economic development

and investment opportunities. To date, total funding of £81.9m has been placed in the Investment Fund earmarked reserve, with a further £20.3m of capital receipts earmarked to supplement this, and £36.8m placed in the Growth Fund earmarked reserve.

3.13.2 Appendix 3 provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £114.1m have been approved (£85.5m on Investment Fund, and £28.6m on Growth Fund), and the uncommitted balances as at end of March 2018 stand at £16.7m for the Investment Fund and £8.3m for the Growth Fund

3.13.3 As set out in the Provisional Final Accounts 2017/18 report elsewhere on the agenda, members are requested to recommend that Council agree the further contributions of £2.3m to the Growth Fund, and £2.6m to the Investment Fund, which will increase the uncommitted balance on the funds to £10.6m and £19.3m respectively.

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in "Building a Better Bromley".

5. FINANCIAL IMPLICATIONS

5.1 There was no requirement for a General Fund contribution to finance capital expenditure in 2017/18, although there was an earmarked revenue contribution of £8.3m towards the cost of specific capital schemes, mainly from the Investment Fund for property acquisitions (£4.4m), Environment Agency grant for clearance of the Waste4Fuel site (£1.6m) and Growth Fund for Site G related acquisitions and Bromley High Street Improvement works (£1.4m). The provisional revenue outturn is reported elsewhere on the agenda.

5.2 Capital receipts totalling £25.7m were available as at 31st March 2018 to finance future capital spending priorities compared to an estimate of £17.1m in February. This is mainly due to a reduction in the use of receipts for capital financing, which is partly due to the reduction in overall spend, as well as the application of more Section 106 receipts for financing purposes. Capital grants and contributions totalling £33.1m and Section 106 receipts of £6.6m also remain available to finance future capital spend.

5.3 Post-completion reports on capital schemes have been (and will continue to be) submitted to PDS Committees within 12 months of completion. A revised Capital Programme and capital financing statement will be included in the next quarterly monitoring report to be considered at the July meeting of the Executive.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Provisional Final Accounts 2017/18, Executive 21st May 2018; Capital Programme Monitoring Q3 2017/18 & Capital Strategy 2018 to 2022, Executive 7th February 2018; Capital Programme Monitoring Q3 2017/18 & Annual Capital Review 2017 to 2021, Executive 8th February 2017.

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CAPITAL PROGRAMME OUTTURN 2017/18 - ANALYSIS OF MAIN VARIATIONS

APPENDIX 1

Portfolio / Scheme		Final Approved Budget	Final Outturn		Variation		Rephased into 18/19	Comments
		£m	£m		£m		£m	
Education Portfolio								
Basic Needs		17.1	14.7	Cr	2.4	Cr	2.4	Slippage due to scheme delays
Glebe expansion works		0.8	0.4	Cr	0.4	Cr	0.4	Retention and final accounts to be agreed
Beacon House Refurbishment & Highway Expansion		0.6	0.1	Cr	0.5	Cr	0.5	Projects are in defect period - remaining budgets to be be transferred back to Basic Need
School Modernisation		0.5	0.1	Cr	0.4	Cr	0.4	Slippage due to scheme delays
Other Schemes		0.6	0.5	Cr	0.1	Cr	0.1	No significant variations
		19.6	**15.8**	**Cr**	**3.8**	**Cr**	**3.8**	
Care Services Portfolio								
Renovation Grants - Disabled Facilities		1.3	1.3		0.0		0.0	minor net underspend
Gateway Review of Housing IT system		0.5	0.4	Cr	0.1	Cr	0.1	Slippage due to scheme delays
PIL - Properties Acquisitions and Site K		0.2	0.0	Cr	0.2	Cr	0.2	Slippage due to scheme delays
Affordable Housing		2.5	2.5		0.0		0.0	No variation
Other schemes		0.4	0.1	Cr	0.3	Cr	0.3	No significant variations
		4.9	**4.3**	**Cr**	**0.6**	**Cr**	**0.6**	
Environment Portfolio								
Highway Investment		6.1	4.9	Cr	1.2	Cr	1.2	Slippage due to scheme delays related to contractor changes
Maintenance		1.5	0.9	Cr	0.6	Cr	0.6	Slippage due to scheme delays
LIP Formula Funding		3.2	2.7	Cr	0.5	Cr	0.5	Slippage due to scheme funding uncertainty
Winter maintenance - gritter replacement		0.2	0.0	Cr	0.2	Cr	0.2	Slippage as no further replacements required
Street Lighting Invest to Save		0.2	0.0	Cr	0.2	Cr	0.2	Scheme completed and final account to be agreed
Cornwall Drive site clearance		1.7	1.7		0.0		0.0	No variation
Other schemes		1.8	1.6	Cr	0.2	Cr	0.2	No significant variations
		14.7	**11.8**	**Cr**	**2.9**	**Cr**	**2.9**	
Public Protection & Safety Portfolio								
CCTV Control room refurbishment		0.0	0.0		0.0		0.0	No variation
		0.0	**0.0**		**0.0**		**0.0**	
Renewal & Recreation Portfolio								
Bromley MyTime Investment Fund		0.9	0.5	Cr	0.4	Cr	0.4	Slippage due to scheme delays
Biggin Hill Memorial Museum		0.5	0.7		0.2		0.2	Overspend reducing available budget in 2017/18
Site G		0.4	0.4		0.0		0.0	No variation
Crystal Palace Park Schemes		0.9	0.8	Cr	0.1	Cr	0.1	Slippage due to scheme delays
Other schemes		1.1	0.9	Cr	0.2	Cr	0.2	No significant variations
		3.8	**3.3**	**Cr**	**0.5**	**Cr**	**0.5**	
Resources Portfolio								
Property Acquisitions - Investment Fund		6.9	4.4	Cr	2.5	Cr	2.5	A planned property acquisition was unsuccessful
Various IT schemes		1.2	0.6	Cr	0.6	Cr	0.6	Slippage due to scheme delays
Carbon Management Programme		0.4	0.0	Cr	0.4	Cr	0.4	Slippage due to scheme delays
Other schemes		0.1	0.1		0.0		0.0	No significant variations
		8.6	**5.1**	**Cr**	**3.5**	**Cr**	**3.5**	
Total		**51.6**	**40.3**	**Cr**	**11.3**	**Cr**	**11.3**	
Less: assumed slippage for financing purposes	Cr	3.5	-		3.5		3.5	
Total (net of slippage)		**48.1**	**40.3**		**7.8**		**7.8**	

CHANGES TO CAPITAL PROGRAMME DURING 2017/18 **APPENDIX 2**

		2017/18 £'000
Approved Capital Programme - 8th February 2017		**86,962**
Proposed Public Realm Project and Market Reorganisation for Bromley High St		564
Replacement of Housing Information Systems		459
Rephasing from 2016/17 into 2017/18		7,131
Block Provisions c/f from 2016/17 - emergency works to surplus sites		10
S106 receipts from developers - unallocated balance		577
		95,703
Transfer from S106 unallocated balance (Education)		1,200
S106 receipts Education unallocated balance (to allocate to Basic Need)	Cr	2,890
Increase in TfL funding for Traffic and Highways schemes	Cr	107
Increase in Crystal Palace Park Improvements	Cr	10
Increase in Crystal Palace Park - Alternative Management Options		625
Additional of 30 Hours Funded Childcare IT Solution Scheme		15
Increase in Biggin Hill Memorial Museum grant funding		963
Increase grant funding for Renovation Grants - Disabled Facilities		438
Deletion of residual balance (Crystal Palace Park Subway)	Cr	1
Section 106 receipts from developers (unallocated balance)		779
Rephasing from 2017/18 to Future Years	Cr	12,504
July 2017 Capital Monitoring		**84,211**
Waste Clearance - Cornwall Drive		1,654
Increase in Bromley High Street Improvement		152
Increase in Orpington Town Centre - Walnut Centre & New Market (S106 Funding)		163
Deletion of residual balance (Central Library/Churchill Theatre - Chillers & Controls)	Cr	8
Increase in TFL funding for Highway & Traffic schemes		362
Increase in Site G project Funding	Cr	513
Re-phasing from 2017/18 into Future Years	Cr	11,355
December 2017 Capital Monitoring		**74,666**
Review of Corporate Customer Service IT systems	Cr	37
Reduction in TFL funding for Highway & Traffic schemes	Cr	24
Reduction in Formula Devolved Capital	Cr	74
Depot Standby Generators	Cr	45
Reduction in Property Investment Fund	Cr	87
Scadbury Park Moated Manor		7
Re-phasing from 2017/18 into Future Years	Cr	22,819
February 2018 Capital Monitoring		**51,587**
Latest Approved Budget for 2017/18		**51,587**
Assumed Slippage for financing purpose	Cr	3,500
Total (net of slippage)		**48,087**

Investment Fund		**£'000**
Revenue Funding:		
Approved by Executive 7th September 2011		10,000
Approved by Council 27th February 2013		16,320
Approved by Council 1st July 2013		20,978
Approved by Executive 10th June 2014		13,792
Approved by Executive 15th October 2014		90
Approved by Executive 26th November 2014 (Transfer to Growth Fund)	Cr	10,000
New Home Bonus (2014/15)		5,040
Approved by Executive 11th February 2015 (New Homes Bonus)		4,400
Approved by Executive 10th June 2015		10,165
Approved by Executive 2nd December 2015 (New Homes Bonus)		141
Approved by Executive 10th Feb 2016 (New Homes Bonus)		7,482
Approved by Executive 6th December 2017		3,500
		81,908
Capital Funding*:		
Approved by Executive 11th February 2015 (general capital receipts)		15,000
Approved by Executive 2nd December 2015 (sale of Egerton Lodge)		1,216
Approved by Executive 7th November 2017 (Disposal of 72-76 High St)		4,100
		20,316
Total Funding Approved:		**102,224**
Property Purchases		
Approved by Executive 7th September 2011 (95 High St)	Cr	1,620
Approved by Executive 6th December 2012 (98 High St)	Cr	2,167
Approved by Executive 5th June 2013 (72-76 High St)	Cr	2,888
Approved by Executive 12th June 2013 (104 - 108 High St)	Cr	3,150
Approved by Executive 12th February 2014 (147 - 153 High St)	Cr	18,755
Approved by Executive 19th December 2014 (27 Homesdale)	Cr	3,938
Approved by Executive 24/03/15 (Morrisons)	Cr	8,672
Approved by Executive 15/07/15 (Old Christchurch)	Cr	5,362
Approved by Executive 15/07/15 (Tilgate)	Cr	6,746
Approved by Executive 15/12/15 (Newbury House)	Cr	3,307
Approved by Executive 15/12/15 (Unit G - Hubert Road)	Cr	6,038
Approved by Executive 23/03/16 (British Gas Training Centre, Thatcham)	Cr	3,666
Approved by Executive 15/06/16 (C2 and C3)	Cr	6,394
Approved by Executive 14/03/17 (Trinity House)	Cr	6,236
Approved by Executive 1st December 2017 (54 Bridge Street, Peterborough)	Cr	3,930
	Cr	82,869
Other Schemes		
Approved by Executive 20th November 2013 (Queens's Garden)	Cr	990
Approved by Executive 15th January 2014 (Bromley BID Project)	Cr	110
Approved by Executive 26th November 2014 (BCT Development Strategy)	Cr	135
Approved by Executive 2nd December 2015 (Bromley Centre Town)	Cr	270
Approved by Executive 15th June 2016 (Glades Shopping Centre)	Cr	400
Approved by Executive 11th January 2017 (Disposal of Small Halls site, York Rise)	Cr	46
Valuation for 1 Westmoreland Rd	Cr	5
Valuation for Biggin Hill - West Camp	Cr	10
Growth Fund Study	Cr	170
Crystal Park Development work	Cr	200
Civic Centre for the future	Cr	50
Strategic Property cost	Cr	258
Total further spending approvals	Cr	2,644
Uncommitted Balance on Investment Fund **		**16,711**

* Executive have approved the use of specific and general capital receipts to supplement the Investment Fund

** The Provisional Final Accounts 2017/18 report to Executive 21st May 2018 requests the further contribution of £2,609k. If approved, the uncommitted balance will increase to £19,230k

Growth Fund:		**£'000**
Funding:		
Approved by Executive 26th November 2014 (Transfer from Investment Fund)		10,000
Approved by Executive 2nd December 2015		6,500
Approved by Executive 23rd March 2016		6,000
Approved by Executive 15th June 2016		7,024
Approved by Executive 22nd March 2017		4,000
Subject to approval by Executive 20h June 2017 (Provisional final accounts 2016/17)		3,311
Total funding approved		**36,835**
Schemes Approved and Committed		
Approved by Executive 24th March 2015 (Housing Zone Bid (Site G))	Cr	2,700
Approved by Executive 24th March 2015 ((Site G) - Specialist)	Cr	200
Approved by Executive 18th May 2016 (Feasibility Studies and Strategic Employment Review)	Cr	180
Approved by Executive 18th May 2016 (Broadband Infrastructure Investment)	Cr	50
Approved by Executive 20th Jul 2016 (BID - Penge & Beckenham)	Cr	110
Approved by Executive 1st Nov 2016 (19-25 Market Square)	Cr	10,705
Approved by Executive 1st Nov 2016 (63 Walnuts)	Cr	3,804
Approved by Executive 22nd March 2017 (Council 10th April 2017) - Bromley Town Centre Pu	Cr	2,844
Approved by Executive 7th November 2017 - Bromley Town Centre and Public Realm	Cr	580
Approved by Executive 22nd March 2017 - Project Officer cost Bromley Town Centre Public R	Cr	40
Approved by Executive 22nd March 2017 - Community Initiative	Cr	15
Approved by Executive 24th May 2017 - Feasibility Works/Property Disposal	Cr	250
Renewal Team Cost	Cr	310
Total further spending approvals	Cr	21,788
Schemes Approved, but not yet committed		
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr	6,790
Uncommitted Balance on Growth Fund *		**8,257**

* The Provisional Final Accounts 2017/18 report to Executive 21st May 2018 requests the further contribution of £2,319k. If approved, the uncommitted balance will increase to £10,576k

Report No.
CS18136

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker:	**EXECUTIVE** **With pre-decision scrutiny from Executive & Resources Policy and Development Scrutiny Committee on 17th May 2018**
Date:	**21st May 2018**
Decision Type:	Urgent Executive Key
Title:	**Contract Award of Learning Disability Supported Living Schemes**
Contact Officer:	Andrew Royle, Senior Commissioner, Education, Care & Health Services Tel: 020 8461 7612 E-mail: Andrew.royle@bromley.gov.uk
Chief Officer:	Ade Adetosoye, Executive Director ECHS & Deputy Chief Executive
Ward:	Penge and Cator; Copers Cope; Bromley Common & Keston

1. Reason for report

This document is a summary to the Part 2 'Contract Award of Learning Disability Supported Living Schemes' to be considered by Executive on 21 May 2018.

The summary provides an overview of the process for the tendering of the learning disability supported living schemes at 34 Padua Road, 44 Bromley Road and 15 Brosse Way in accordance with the Council's financial and contractual requirements.

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2. RECOMMENDATION(S)

Executive is recommended to:

i) note the summary when considering the recommendations in the Part 2 – Appendix Detail report to award the tender.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The services provide accommodation and support for adults with learning disabilities who may also have physical disabilities, Autism, mental health problems and complex health needs who meet the eligibility requirements for support under the Care Act 2014

Corporate Policy

1. Policy Status: Existing Policy: Further Details
2. BBB Priority: Supporting Independence:

Financial

1. Cost of proposal: Detailed in Part 2 report
2. Ongoing costs: Recurring Cost: Detailed in Part 2 report
3. Budget head/performance centre: 819*** 3618 (Learning Disabilities Supported Living)
4. Total current budget for this head: £11,121,490 per annum
5. Source of funding: Contained within existing budget, no additional funding required

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Personnel

1. Number of staff (current and additional): N/A
2. If from existing staff resources, number of staff hours: Contract compliance officer will monitor the quality of service quarterly @14 hours per annum per service

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Legal

1. Legal Requirement: Statutory Requirement:
2. Call-in: Applicable: Given the urgency for contract award it is requested that Call In be waived for this decision

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Procurement

1. Summary of Procurement Implications:

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 16 adults with a Learning Disability

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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

Background:

3.1 A Gateway Report was presented to Executive on 19 July 2017 outlining the current provision of supported living services for 16 people with significant disabilities living in 3 properties. The report projected that these services will be required for future service users in order to prevent the move to potentially more expensive residential care. The report detailed the proposed commissioning strategy for the tendering of these services with an emphasis upon achieving the best possible quality / pricing.

3.2 The Executive agreed the following:

(i) The schemes be grouped together for the purpose of tendering in order to drive the best possible pricing by tendering for a new five year contract with a two year extension to commence from 1st July 2018;

(ii) The three existing contracts to be extended to 30th June 2018 as allowed for in the respective contracts;

(iii) The commencement of the procurement procedure to enable award in accordance with the Council's financial and contractual requirements be noted and approved.

3.3 Supported Living services are based on The Care Act 2014 which is a reforming and consolidating piece of legislation. It has replaced many previous laws relating to care and support.

- National Assistance Act 1948
- Chronically sick AND Disabled Persons Act 1970 (as far as it relates to adults)
- NHS and Community Care Act 1990
- Carers (Recognition and Services) Act 1995

3.4 The Council has a statutory duty to meet the needs of service users supported in the schemes that have been re-rendered as set out in Part 1 of the Care Act 'General Responsibilities of Local Authorities'.

Justification for Award:

3.5 The tender was carried out with support from Corporate Procurement in line with the Council's Contract Procedure Rules and compliance with all OJEU requirements. This was a two stage tender process, with eight bids shortlisted to proceed to the second round. Of the eight shortlisted bids, two declined to progress further. The remaining bids were evaluated on a 60:40 price/quality basis and the results of the evaluation process is detailed in the Part 2 report.

3.6 The provider recommended for contract award demonstrated the highest overall scoring using the agreed price / quality matrix, scoring highest on price and second highest on quality. In addition, each bid was tested during the interview and clarification process. Providers were challenged to demonstrate that their bids were genuine examples of their working practices and ethos. The provider recommended for contract award spent time explaining how they would improve and maintain quality in these services and they were able to reassure the Panel that their implementation plan was robust.

3.8 There are two providers currently contracted to provide these services:

- 34 Padua Road, care support delivered by Outward.

- 44 Bromley Road, care support delivered by Outward
- 15 Brosse Way, care support delivered by Avenues

The provider recommended for contract award would take on the TUPE transfer of identified staff from those services ensuring that there is continuity of provision for the tenants. The Council will support the implementation in partnership with the successful provider and will notify tenants and families of changes at contract award. The implementation process formed part of the evaluation for quality and the response of the provider recommended for contract award scored well and was tested at interview.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The services provide accommodation and support for adults with learning disabilities who may also have physical disabilities, Autism, mental health problems and complex health needs who meet the eligibility requirements for support under the Care Act 2014.

5. POLICY IMPLICATIONS

5.1 The Supported Living Service is designed to meet the Council's objectives within 'Building a Better Bromley' to support independence within the community, particularly for vulnerable people

6. FINANCIAL IMPLICATIONS

6.1 The financial implications are detailed in the Part 2 paper.

7. LEGAL IMPLICATIONS

7.1 The service is a "light touch" services under the Public Contracts Regulations 2015 (Regulations) . As the contract value is in excess of the relevant threshold it was procured in compliance with the Regulations and competitive tendering requirements under the Council's Contract Procedure Rule 8.2.

8. PROCUREMENT IMPLICATIONS

8.1 The Tender process has been undertaken in accordance with the Council's Financial Regulations and Contract Procedure Rules and completed in compliance with the requirements of the Public Contract Regulations 2015 "Light Touch Regime". Once the Council has made its decision, the Authority will need to issue the appropriate Award Notices, observe the mandatory Standstill Period and issue an OJEU and Contract Finder Award Notice as provided for in the Regulations.

Non-Applicable Sections:	**PERSONNEL IMPLICATIONS**
Background Documents: (Access via Contact Officer)	CS18026 Procurement Strategy for Supported Living Services at Padua Road, Bromley Road and Brosse Way

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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