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DATE: 15 November 2022

RENEWAL, RECREATION AND HOUSING POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Meeting to be held on Wednesday 16 November 2022

Please see the attached report marked “to follow” on the agenda.

7b CAPITAL PROGRAMME MONITORING Q2 2022/23 (Pages 3 - 10)

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

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Report No.
CSD22129

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: PORTFOLIO HOLDER FOR RENEWAL, RECREATION & HOUSING

Date: For pre-decision scrutiny by the Renewal, Recreation and Housing Policy Development & Scrutiny Committee on 16 November 2022

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTER 2 2022/23

Contact Officer: Sean Cosgrove, Principal Accountant
Tel: 020 8313 4792 E-mail: sean.cosgrove@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 30 November 2022, the Executive will receive a report summarising the current position on capital expenditure and receipts following the second quarter of 2022/23 and be asked to agree a revised capital programme for the four-year period 2022/23 to 2025/26. This report highlights changes to be put to the Executive and the Leader in respect of the capital programme for the Renewal, Recreation and Housing portfolio. The revised programme for this portfolio is set out in Appendix A, detailed comments on individual schemes are shown in Appendix B, and details of the 2021/22 outturn position are included in Appendix C.

2. **RECOMMENDATION**

The Portfolio Holder is asked to note and acknowledge the changes to be put to the Executive on 30 November 2022.

Impact on Vulnerable Adults and Children:

1. Summary of Impact:

Corporate Policy

1. Policy Status: Existing Policy: 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 (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, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our 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". The capital review process requires Council Directors to ensure that bids for capital investment provide value for money and match Council plans and priorities.
2. BBB Priority: Excellent Council

Financial

1. Ongoing costs: Not Applicable
2. Budget head/performance centre: Capital programme
3. Total current budget for this head: £66,524k for the Renewal, Recreation and Housing Portfolio over the four years 2022/23 to 2025/26
4. Source of funding: capital grants, capital receipts and earmarked revenue contributions

Personnel

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

Legal

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

Procurement:

1. Summary of Procurement Implications:

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

Capital monitoring – variations to be put to the Executive on 30 November 2022

3.1 A revised capital programme will be put to the Executive on 30 November 2022, following a detailed monitoring exercise carried out after the second quarter of 2022/23. The base position is the programme approved by the Executive on 6 October 2022 (postponed from 21 September 2022 due to the official mourning period for the death of the monarch), as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Renewal, Recreation and Housing portfolio programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.3. The revised programme for the Renewal, Recreation and Housing portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget in the first quarter of 2022/23, together with detailed comments on individual scheme progress.

	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total
	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 09/02/22	29,024	4,851	1,010	0	34,885
Net underspend 21/22 rephased to 22/23	24,239				24,239
Net changes agreed in Q1 monitoring	-427	6,600	1,226	0	7,399
Approved programme prior to second quarter monitoring	52,836	11,451	2,236	0	66,524
Changes not requiring approval by Executive	0	0	0	0	0
Changes requiring approval by Executive	0	0	0	0	0
New schemes added to programme	0	0	0	0	0
Revised Renewal, Recreation and Housing capital programme	52,836	11,451	2,236	0	66,524

3.3 Schemes re-phased from 2022/23 into future financial years

As part of the second quarter monitoring exercise, no budgets have been re-phased from 2022/23 into future years to reflect revised estimates of when expenditure is likely to be incurred. Comments on scheme progress are provided in Appendix B.

3.4 Additions to the programme previously approved by the Executive

There have been no additions to the programme during this monitoring cycle.

Post-completion reports

3.6 Under approved capital programme procedures, capital schemes should be subject to a post-completion review within one year of completion. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. The following post completion reports are currently due for the Renewal, Recreation and Housing portfolio:

- Bromley My Time Investment Fund
- Relocation of Exhibitions - Bromley Museum
- Norman Park Athletics Track

4. POLICY IMPLICATIONS

- 4.1 Capital programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5. FINANCIAL IMPLICATIONS

- 5.1 These will be reported in full to the Executive on 30 November 2022. There are no changes to be put to the Executive for the Renewal, Recreation and Housing portfolio capital programme.

Non-applicable sections:	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background documents: (Access via contact officer)	Capital programme monitoring Q2 2022/23 (Executive 30/11/2022) Capital Programme Monitoring Q3 2021/22 (Executive 09/02/22)

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 21st September 2022 - APPENDIX A

Scheme	Total approved estimate	Spend up till 31.03.22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25	Estimate 2025/26	Responsible officer	Remarks
	£'000	£'000	£'000	£'000	£'000	£'000		
Relocation of Exhibitions - Bromley Museum	395	393	2	0	0	0	Lee, Lydia	Approved by Executive 10/06/15
Biggin Hill Memorial Museum	3,202	3,091	111	0	0	0	Lee, Lydia	Approved by Executive 02/12/15. £106k funding from Treasury Grant, Executive 15/06/16 £157.4k Treasury Grant, £3.2k BHMM Trust
Chislehurst Library Redevelopment	1,000	0	0	0	1,000	0	Bowrey, Sara	Funded from capital receipts
Sub-total - museums and libraries	4,597	3,484	113	0	1,000	0		
Bromley MyTime Investment Fund	4,443	4,439	3	0	0	0	Munday, Alicia	Revenue contribution to capital works
Replacement of District Heating System Boilers & Works to	1,500	174	1,326	0	0	0	Watkins, Mike	Approved by Executive 10th July 2019
Norman Park Athletics Track	300	309	-9	0	0	0	Lee, Lydia	
West Wickham Leisure Centre	993	370	623	0	0	0	Munday, Alicia	
Sub-total - leisure and recreation	7,236	5,293	1,943	0	0	0		
Gateway Review of Housing I.T System	679	1,047	-368	0	0	0	Bowrey, Sara	Approved by Executive 11/02/15
Payment in Lieu Fund - Properties Acquisitions	1,326	1,258	68	0	0	0	Bowrey, Sara	Funded from PIL (S106) receipts
Payment in Lieu Fund - Site K	672	672	0	0	0	0	Bowrey, Sara	Funded from PIL (S106) receipts
Affordable Housing	803	803	0	0	0	0	Bowrey, Sara	Funded from PIL (S106) receipts
Affordable Housing Unallocated	2,726	0	500	1,000	1,226	0	Bowrey, Sara	Funded from PIL (S106) receipts
Housing Development Feasibility Study	100	0	100	0	0	0	Bowrey, Sara	Funded from Growth Fund
Provision of Housing supply in Anerley	2,078	5,336	1,041	0	0	0	Munday, Alicia	Approved by Executive 21/05/19. Funded from £7.5m from the Housing Investment Fund earmarked reserve, and £0.9m identified in the 2018/19 Provisional Final Outturn
Provision of Library and Housing Improvements in West Wickham	9,641	0	4,800	4,841	0	0	Munday, Alicia	
Provision of Housing - Burnt Ash Lane	4,360	3,827	533	0	0	0	Munday, Alicia	Approved by Council 14/10/19. Funded from £500k S106 and £3.286m Investment Fund
Modular Build - York Rise	9,174	601	7,473	1,100	0	0	Munday, Alicia	Approved Council 15/07/19. Funded from £2.5m for Housing Investment fund and £3.5m Investment fund.
London private sector renewal schemes	3,742	3,357	385	0	0	0	Dodd, Philip	100% external funding
Banbury House demolition/site preparation	182	180	2	0	0	0	Watkins, Mike	
Empty Homes Programme	620	667	-47	0	0	0	Dodd, Philip	100% external funding
Renovation Grants - Disabled Facilities	23,184	16,036	7,148	0	0	0	Dodd, Philip	Govt grant £1,681k in 2016/17; Gov't grant £1,838k in 2017/18 (additional £178k received); Govt grant £1,995k in 2018/19
Bushell Site development	8,598	675	3,624	0	0	0	Munday, Alicia	
Sub-total - Housing	67,885	34,458	25,260	6,941	1,226	0		

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME 21st September 2022 - APPENDIX A

Scheme	Total approved estimate	Spend up till 31.03.22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25	Estimate 2025/26	Responsible officer	Remarks
	£'000	£'000	£'000	£'000	£'000	£'000		
Feasibility Studies	70	22	28	10	10	0	Lee, Lydia	
Bromley North Village	6,652	6,582	70	0	0	0	Lee, Lydia	Renewal and improvement of Bromley North; £3,298k TfL; £1,829k GLA Outer London Fund; £25k private sector; £1,500k Capital receipts.
Penge Town Centre	746	580	166	0	0	0	Munday, Alicia	Approved Executive 24/03/15 - funded by New Homes bonus
Orpington Town Centre - Walnut Centre & New Market infra	875	877	-2	0	0	0	Jackson, Hannah	Approved Executive 24/03/15 - funded by £400k New Homes bonus and £125k High Street Fund, Exec 30/11/16 £106k from S106 fund, Exec 06/12/17 £163k from S106 Fund
Bromley High Street Improvements- Growth Fund	4,599	2,963	1,636	0	0	0	Munday, Alicia	
Bromley High Street Improvements- S106 Fund	2,923	2,923	0	0	0	0	Jackson, Hannah	
Site G	24,292	4,593	19,699	0	0	0	Watkins, Mike	Funded from PIL (S106) receipts £0.360m), Growth Fund (£2.9m), Developer Contribution (£0.1m) & Capital Financing. Approved Executive 07/11/17 Council 11/12/17
Crystal Palace Park Improvements	2,583	2,612	-29	0	0	0	Lee, Lydia	
Crystal Palace Park - Alternative Management Options	1,185	1,150	35	0	0	0	Lee, Lydia	
Crystal Palace Park Subway	3,538	-190	3,728	0	0	0	Lee, Lydia	Approved by Executive 12/02/20. Potentially to be funded from £2.340m Strategic Investment Pot, £0.5m Historic England grant, £0.296m TfL Highway works, £0.005m Friends of Crystal Palace Subway
Crystal Palace Park - Regeneration	0	0	0	0	0	0	Lee, Lydia	
Next Steps For The Crystal Palace Park Regeneration Plan	4,500	0	0	4,500	0	0	Lee, Lydia	New scheme -added as per Exec 290622
Chipperfield Road Development - St Paul's Cray	105	46	59	0	0	0	Watkins, Mike	Approved by Executive 18/10/16
Star Lane Traveller Site	250	119	131	0	0	0	Bowrey, Sara	Urgent water and drainage works (statutory duty)
Sub-total - other	52,318	22,278	25,521	4,510	10	0		
Total - Renewal, Recreation and Housing portfolio	132,037	65,513	52,836	11,451	2,236	0		

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME END Q2 2022 - APPENDIX B

Scheme	Estimate 2022/23 as at Feb 2022	Actual at end Q2 2022/23	Estimate 2022/23 as at end Q2 2022	Commentary
		£'000	£'000	
Relocation of Exhibitions - Bromley Museum	0	0	2	Scheme complete. Commitments to be deleted.
Biggin Hill Memorial Museum	0	0	111	Scheme completed. Final account agreed. Defect rectification delayed due to Covid-19.
Chislehurst Library Redevelopment	0	0	0	
Sub-total - museums and libraries	0	0	113	
Bromley MyTime Investment Fund	0	0	3	A report was submitted to the Executive on 28 November 2018 setting out a range of proposals for a 40 year lease between London Borough of Bromley and My Time. All existing contractual and financial agreements between both parties came to an end as at 1st April 2019. Allocation of £671k added to budget at year end. Last balance payment now made. Budget holder to review remaining commitments. Scheme completed.
Replacement of District Heating System Boilers & Works to Wain	1,092	73	1,326	"Works to the district heating plant at Orpington have been the subject of extensive review. Feasibility work continues in order to establish the best value route to replace or reconfigure the whole system, with consideration given to potential redevelopment plans. Partial reconfiguration has been allowed for within this year with the majority of works being concluded in 22/23."
Norman Park Athletics Track	0	0	-9	Scheme now completed.
West Wickham Leisure Centre	0	0	623	Work suspended until further decisions are made about long-term strategy for this site.
Sub-total - leisure and recreation	1,092	73	1,943	
Gateway Review of Housing I.T System	0	127	-368	Exec 21/03/17 additional of £459k for purchase of Housing IT System. Phase one complete and final phase now live. Retention and final account costs higher than budgeted - £20k of H-CLIC grant used to finance this - remaining overspend to be transferred to revenue. Budget and Actuals to be reviewed by Finance as scheme currently overspending. This may be due to miscoding of spend.
Payment in Lieu Fund - Properties Acquisitions	0	0	68	£1m budget used to purchase 9 properties with remaining budget allocated for Capital refurb. £57k of current budget to be used for replacement of boilers, roofing etc. Capital works are currently being commissioned, requesting £57k to be rephased to 2020/21.
Payment in Lieu Fund - Site K	0	0	0	Scheme is complete with final payments made.
Affordable Housing	0	0	0	Exec 19.07.17 - S106 contribution for the provision of affordable units to Clarion housing association. Scheme complete.
Affordable Housing Unallocated	0	0	500	Work is ongoing with housing association partners to identify suitable approved housing development schemes. Funding to be re-phased to 2020/21.
Housing Development Feasibility Study	0	0	100	Budget is in relation to Housing acquisitions. Work has been tendered and stage one completed. Awaiting invoice for payment.
Provision of Housing supply in Anerley	4,000	277	1,041	Completion expected this FY.
Provision of Library and Housing Improvements in West Wickham	4,800	382	4,800	To be spent this year.
Provision of Housing - Burnt Ash Lane	0	93	533	To be spent this year.
Modular Build - York Rise	4,174	2,576	7,473	£1.1m reprofiled from 2223 to 2324
London private sector renewal schemes	0	0	385	Due to recycled funding having been added to this programme re-phasing of £411k from 2019/20 into 2020/21 and 2021/22 has been reflected. This work slowed considerably due to Covid 19 as most of clients are in the shielding group and also contractor and supply restrictions. Part of review of service will include consideration of more effective marketing to improve take up.
Banbury House demolition/site preparation	0	0	2	Scheme completed - spend to be reviewed and moved to appropriate account.
Empty Homes Programme	0	5	-47	Funding criteria changed in 2017 to improve take up. Currently considering whether this work could be better undertaken by Regeneration. Re-phasing of £91k from 2019/20 into 2020/21 and 2021/22 has been undertaken.
Renovation Grants - Disabled Facilities	0	782	7,148	DFG work virtually stopped due to Covid 19 as most of clients are in the shielding group and contractor and supply restrictions. Rate of work, and therefore expenditure is now increasing, but supply issues may still cause delays.
Bushell Site development	0	5	3,624	New scheme - approved at May 2019 Exec. Contract award report scheduled for Executive in February 2020. Budget of £190k has been re-phased into 2020/21. Expected completion August 2020.
Sub-total - Housing	12,974	4,246	25,260	

RENEWAL, RECREATION & HOUSING PORTFOLIO - APPROVED CAPITAL PROGRAMME END Q2 2022 - APPENDIX B

Scheme	Estimate 2022/23 as at Feb 2022	Actual at end Q2 2022/23	Estimate 2022/23 as at end Q2 2022	Commentary
Feasibility Studies	10	0	28	£10k budget per year for feasibility works.
Bromley North Village	70	0	70	Scheme has completed. The remaining budget required for remedial works is expected to be used in 2020/21, therefore £65k has been re-phased into 2020/21.
Penge Town Centre	168	0	166	To be spent this year.
Orpington Town Centre - Walnut Centre & New Market infrastructure	0	0	-2	High Street Fund and New Homes Bonus funded project to enhance the pedestrian experience of the prime shopping areas to increase footfall. This includes paving, lighting, treatment for trees, new street furniture, and new market infrastructure. Berkeley Homes have made a further payment of £163k of Section 106 contributions towards the Walnuts Public Realm Improvement project. The scheme is now completed, although remedial works to the tree pits are currently being undertaken. The final account is being reviewed; any unused funds will be used to fund aspects of the scheme that were removed due to cost pressures (such as a new town clock).
Bromley High Street Improvements- Growth Fund	0	41	1,636	Approved Executive 22/03/17, £800k added EXEC 01/04/20. Funded from the Growth Fund, the programme of improvements to the public realm of Bromley High Street is a continuation of the Bromley North Village scheme which aims to enhance the pedestrian experience of the prime shopping areas to increase footfall in the town centre. Main scheme in final stages of completion; the public realm works will be completed once the works to the cladding on central library and the Churchill Theatre complete. A paper will be considered in the Spring setting out an approach for the use of the remaining funding which will include a statement piece. Re-phasing of £1m into 2020/21 has been undertaken due to a changing approach to the commercial units. UPDATE Q1 2223 - to be spent this year.
Bromley High Street Improvements- S106 Fund	0	0	0	Approved Executive 06/12/17 - The addition of Section 106 funding of £76K received from the Elmfield Road Travelodge development to the overall budget of the Public Realm improvements Scheme and the capital programme.
Site G	8,000	375	19,699	Executive 24.03.15 - Housing Zone bid and Site G report 24/03/15 - £360k PIL and £2.7m from Growth fund (Bromley Town Centre). Report was submitted to Council 11/12/17 formalising the Development Agreement with the preferred development partner and the Compulsory Purchase Strategy for the site. Demolition & starting on site anticipated in 2020 with completion of 410 units in 2024. Total anticipated cost of £24,292k was noted. 2 properties purchased in 2018 for approx £800k. Approval for rephasing of £3.16m from 2019/20 and FY budget to be submitted to Nov 2019 Exec.
Crystal Palace Park Improvements	0	0	-29	Remaining commitments relate to retention payments and unspent contingency. Final accounts agreed. Defect rectification delayed due to Covid-19 therefore final sums not paid.
Crystal Palace Park - Alternative Management Options	0	22	35	Outline Planning Application submitted in January 2020. Remaining spend relates to planning process costs.
Crystal Palace Park Subway	2,412	762	3,728	Agreed at EXEC 12/02/20. £0.456m added to budget as per Exec Feb 22
Crystal Palace Park - Regeneration	0	9	0	Part of Alternative Options budget.
Next Steps For The Crystal Palace Park Regeneration Plan	0	0	0	New scheme - added as per Exec 290622
Chipperfield Road Development - St Paul's Cray	0	0	59	This should remain as is – the balance of the budget will be utilised this f/yr to get the site ready for market (Aug 22).
Star Lane Traveller Site	0	0	131	Stage one undertaken by Thames Water has been completed. The work on the site to complete the new supply has had to be re-tendered by Amey. Expected completion date will now be in 2020/21 requiring remaining budget of £133k to be re-phased.
Sub-total - other	10,659	1,209	25,521	
Total - Renewal, Recreation and Housing portfolio	24,725	5,528	52,836	