

Decision Maker: **Adult & Community Services PDS Committee**

Date: **30th November 2011**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **CAPITAL PROGRAMME MONITORING - Q2 2011/12**

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Chief Officer: Director of Resources

Ward: All

1. Reason for report

On 16th November 2011, the Executive received the 2nd quarterly capital monitoring report for 2011/12 and agreed a revised Capital Programme for the four year period 2011/12 to 2014/15. This report highlights in paragraphs 3.1 to 3.3 changes agreed by the Executive in respect of the Capital Programme for the Adult & Community Services Portfolio. The revised programme for this portfolio is set out in Appendix A and detailed comments on individual schemes are included at Appendix B.

2. **RECOMMENDATION(S)**

The Committee is asked to endorse the changes agreed by the Executive in November.

Corporate Policy

1. Policy Status: Existing policy. 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.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: Estimated cost N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £Total £16.8m for the ACS Portfolio over four years 2011/12 to 2014/15
 5. Source of funding: Capital grants, capital receipts and revenue contributions
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Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: No statutory requirement or Government guidance.
 2. Call-in: Call-in is not applicable.
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Customer Impact

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

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

Capital Monitoring – variations reported to the Executive on 16th November 2011

3.1 A revised Capital Programme was considered by the Executive on 16th November, following a detailed monitoring exercise carried out after the 2nd quarter of 2011/12. The base position was the revised programme approved by the Executive on 20th July 2011, as amended by any variations approved at subsequent Executive meetings. In response to the major level of slippage at the end of 2010/11, the process has been made more robust by the introduction of considerably more challenge and review. The monitoring exercise resulted in a number of amendments to the approved programme for the Adult & Community Services (ACS) Portfolio and these are shown in the table below. Further details are included in paragraphs 3.2 to 3.3. The revised Programme for the ACS Portfolio is attached as Appendix A and comments on individual schemes, together with latest expenditure figures, are shown in Appendix B.

	2011/12	2012/13	2013/14	2014/15	TOTAL
	£000	£000	£000	£000	£000
Approved Programme (Executive 20/7/11)	13,170	1,639	1,020	1,020	16,849
Deletion of Residual Budget (para 3.2)					
– Improving Information Management	-8	-	-	-	-8
Re-phasing of Expenditure (para 3.3)					
- Care Standards Act 2000 requirements	-238	150	88	-	-
- Learning Disability Day Centre	-1,543	450	1,093	-	-
- Care homes – improvements to environment	-21	21	-	-	-
- PCT LD reprovision programme	-767	767	-	-	-
- Care home reprovision - decant	-102	102	-	-	-
- Social Care Grant - expenditure	-1,165	558	607	-	-
- Mental Health Grant - expenditure	-326	250	76	-	-
- Supporting Independence – Extra Care Hsg	-20	20	-	-	-
- Shared Ownership – NHS PCT Project	-256	256	-	-	-
- Disabled Facilities Grants	-200	200	-	-	-
Revised ACS Capital Programme	8,524	4,413	2,884	1,020	16,841

3.2 Deletion of residual budgets and budgets no longer required (reduction of £8k)

The Improving Information Management scheme has completed with a small underspend and the Executive agreed on 16th November that the residual budget of £8k be deleted from the 2011/12 programme.

3.3 Scheme Rephasing

In final outturn reports in June and July, the Executive and all the PDS Committees were informed of the major slippage at the 2010/11 year end, as a result of which some £25.2m had been rephased from 2010/11 into 2011/12. Some £2.0m of this related to ACS schemes, mainly comprising slippage on the PCT LD reprovision programme (£1.2m), on the Housing S106 (Payment in lieu) budget (£0.2m) and on the budget for expenditure funded by social care grant (£0.2m). Members were advised that slippage of capital spending estimates has been a recurring theme over the years and it is clear that a more realistic approach towards anticipating slippage still needs to be taken. This is the first monitoring report since July and, as reported, additional challenge and review has been introduced into the process. This has resulted in the changes set out above and also in an additional appendix (Appendix B) that provides an update on the progress of all schemes in the ACS Capital Programme. Schemes are now being monitored more closely and, in this quarter, expenditure estimates for many of the schemes have been rephased from 2011/12 into later years. These are listed in the table in paragraph 3.1 and comments are included in Appendix B.

Post-Completion Reports

3.4 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. Following the major slippage of expenditure at the end of 2010/11, Members have confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. While no post-completion reports are currently due for completed ACS schemes, this quarterly report will monitor the future position and will highlight any future reports required.

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 were reported in full to the Executive on 16th November 2011. Changes approved by the Executive to the Capital Programme for the ACS Portfolio are set out in the table in paragraph 3.1.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns October 2011. Approved Capital Programme (Executive 20/7/11). Capital Programme Outturn 2010/11 report (Executive 22/6/11). Q2 Capital Monitoring Report 2011/12 (Executive 16/11/11)