

PART 1 - PUBLIC

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Decision Maker: Adult & Community Services Portfolio Holder

**For pre-decision scrutiny by the Adult & Community Services
PDS Committee on 21st September 2010**

Date: 21st September 2010

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

Title: CAPITAL PROGRAMME MONITORING - 1st QUARTER 2010/11

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Chief Officer: Director of Resources

Ward: All

1. Reason for report

On 21st July 2010, the Executive received a report summarising the current position on capital expenditure and receipts following the 1st quarter of 2010/11. The report also covered any detailed issues relating to the 2009/10 Capital Programme outturn, which had been reported in summary form to the June Executive meeting. The Executive agreed a revised Capital Programme for the four year period 2010/11 to 2013/14 and this report highlights changes agreed by the Executive in respect of the Capital Programme for the Adult & Community Services (A&CS) Portfolio. The revised programme for this portfolio is set out in Appendix A.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and confirm the report.

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 Net increase of £647k; all funded by external contributions
 2. Ongoing costs: Non-recurring cost.
 3. Budget head/performance centre: N/A (Capital Programme)
 4. Total current budget for this head: £Total £21.2m for A&CS Portfolio over five years 2009/10 to 2013/14
 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 21st July 2010

3.1 A revised Capital Programme was approved by the Executive in July, following a detailed monitoring exercise carried out after the 1st quarter of 2010/11. Further information is provided in paragraphs 3.2 to 3.7 and the revised Programme for the A&CS Portfolio is attached as Appendix A. A summary of the variations agreed by the Executive is set out below.

	2009/10 Outturn £000	2010/11 Estimate £000	2011/12 Estimate £000	2012/13 Estimate £000	2013/14 Estimate £000	TOTAL £000
Approved Programme (Executive 3/2/10)	7,200	8,885	2,315	1,080	1,080	20,560
Disabled Facilities Grants – adjustment re overspend in 2009/10 (see para 3.2)	49	-19	-	-	-	30
Other block provisions – 2009/10 feasibility study underspend not c/fwd into 2010/11	-10	-	-	-	-	-10
New government grants (see para 3.3)						
- Supporting Independence – Extra care Hsg	-	20	-	-	-	20
- Transforming Social Care	-	145	-	-	-	145
South East London Housing Partnership – extra funding in 2009/10 (see para 3.4)	187	-	-	-	-	187
PCT LD reprovision – extra funding / rephasing (see para 3.5)	-3,758	415	3,618	-	-	275
Housing S106 expenditure - rephasing	-502	-810	1,312	-	-	-
Rephasing 2009/10 into 2010/11 - general	-911	911	-	-	-	-
Revised A&CS Capital Programme	2,255	9,547	7,245	1,080	1,080	21,207

3.2 Disabled Facilities Grants

Under the Council's Capital Programme procedures, overspendings on block capital provisions in any year are automatically deducted from the approved budget in the following year. In 2009/10, there was a total overspend of £49k on the approved budget for Disabled Facilities Grants, £30k of which was met by an increase in the government grant received. In June, the Executive agreed that the remaining £19k be deducted from the 2010/11 budget.

3.3 New government grants

In March 2010, the Department of Health notified local authorities of two new capital grants in 2010/11 for Supporting Independence – Extra Care Housing (£20,000) and Transformation in Adult Social Care (£145,000). In July, the Executive approved the addition of these sums to the Capital Programme.

3.4 South East London Housing Partnership (SELHP)

The Council is a member of the SELHP and receives funding from the London Housing Pot for Private Sector Renewal schemes. The funding counts as capital and approval is normally sought to increases in Capital Programme expenditure budgets as and when income is received. In recent years, Bromley has spent up to its own allocation and has also received additional funding where other boroughs have failed to spend their allocations. As at 31st March 2010, we had received and spent an additional £187k above the final approved estimate. In 2010/11, the Council could receive up to a further £650,000 if, as is expected, we spend fully on all planned schemes and further details will be reported to the Executive in the November capital monitoring update.

3.5 PCT LD Reprovision

Further to previous reports, Bromley Council operates under a Section 75 agreement as the lead commissioner for the PCT Campus Programme. To enable the Council to undertake this role, the PCT have transferred approx. £8.8M of capital to purchase / refurbish buildings for adults with a learning disability who are moving from the care of the NHS to externally provided care and support within the community. The PCT Campus Programme continues to make good progress and has successfully delivered 6 schemes. The local authority is now in contract with housing associations to provide the following schemes: 109 Masons Hill, 36A Albemarle Road, 26 Devonshire Road and 173 Crofton Road and these schemes will be completed between October 2010 and May 2011. Legal contracts are being finalised for the development of 3 schemes on the Cheyne site in West Wickham and a scheme in Crofton Road. Work is also progressing towards contract to enable the refurbishment of a property to replace the respite service at the Bassetts Campus site. In terms of capital expenditure, it is currently estimated that payments amounting to £4.3m will be made in 2010/11, with the remaining capital being spent in 2011/12, as the later schemes are completed and the final stage payments made.

3.6 Housing S106 expenditure

In recent years, the Council has received a number of payments from developers as a result of the granting of planning permission. These are restricted to being spent on capital works in accordance with the terms of agreements and some of these are required to be spent on improving housing provision in the borough. Receipts to 31st March 2010 include Langley Court, SIRA (South Hill, Chislehurst), Cheyne Centre and Garrard House and, in 2010/11, Oakwood Court. The current balance held for housing is £2.4m. Schemes originally planned in 2009/10 were delayed and most of the remaining expenditure is now anticipated in 2011/12.

3.7 Scheme Rephasing

Expenditure planned in 2009/10 on a number of other schemes was also delayed for various reasons, as a result of which a further £911k was rephased into 2010/11.

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 21st July 2010. The Capital Programme for the A&CS Portfolio 2009/10 to 2013/14 has increased by £647k as a result of variations approved by the Executive as 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 June/July 2010. Approved Capital Programme (Executive 21/07/10). Capital monitoring report to Executive 21/07/10.