

Report No.  
Res12152

## London Borough of Bromley

### PART ONE - PUBLIC

---

**Decision Maker:** Renewal & Recreation Portfolio Holder

**Date:** For Pre-Decision Scrutiny by the Renewal and Recreation Policy  
Development and Scrutiny Committee on Tuesday 2 October 2012

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

**Title:** **CAPITAL PROGRAMME-1ST QUARTER MONITORING 2012/13  
& FINAL OUTTURN 2011/12**

**Contact Officer:** Martin Reeves, Principal Accountant  
Tel: 020 8313 4291    E-mail: martin.reeves@bromley.gov.uk

**Chief Officer:** Director of Resources

**Ward:** (All Wards);

---

1. Reason for report

On 25th July 2012, the Executive received the 1st quarterly capital monitoring report for 2012/13 and agreed a revised Capital Programme for the four year period 2012/13 to 2015/16. The report also covered any detailed issues relating to the 2011/12 Capital Programme outturn, which had been reported in summary form to the June meeting of the Executive. This report highlights in paragraphs 3.1 to 3.4 changes agreed by the Executive in respect of the Capital Programme for the Renewal & Recreation (R&R) Portfolio. The revised programme for this portfolio is set out in Appendix A.

---

2. **RECOMMENDATION(S)**

**The Portfolio Holder is asked to confirm the changes agreed by the Executive in July.**

### Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services.
  2. BBB Priority: Excellent Council:
- 

### Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: N/A – Capital Programme
  4. Total current budget for this head: £12.9m for the R&R Portfolio over four years 2012/13 to 2015/16
  5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
- 

### Staff

1. Number of staff (current and additional): 0.25 fte
  2. If from existing staff resources, number of staff hours: 9 hours per week
- 

### Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: Not 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? No
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

#### Capital Monitoring – variations agreed by the Executive on 25<sup>th</sup> July 2012

3.1 A revised Capital Programme was approved by the Executive in July, following final outturn figures for 2011/12 and a detailed monitoring exercise carried out after the 1st quarter of 2012/13. The base position was the revised programme approved by the Executive on 1st February 2012, as amended by variations approved at subsequent Executive meetings. All changes on schemes in the R&R Portfolio Programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.4. The revised Programme for the R&R Portfolio is attached as Appendix A.

| Capital Expenditure  | 2011/12      | 2012/13      | 2013/14      | 2014/15      | 2015/16    | TOTAL         |
|--|--------------|--------------|--------------|--------------|------------|---------------|
|  | £000         | £000         | £000         | £000         | £000       | £000          |
| Approved Capital Programme (01/02/12)                                | 6,507        | 4,263        | 4,280        | 10           | 10         | 15,070        |
| Revised budget for Bromley Museum at The Priory (Executive 25/07/12) | -            | -50          | -2,723       | 2,000        | 241        | -532          |
| <u>Schemes moved between portfolios</u>                              |              |              |              |              |            |               |
| Housing provision (from Care Portfolio)                              | 420          | -            | -            | -            | -          | 420           |
| Housing PIL Fund (from Care Portfolio)                               | 965          | 401          | -            | -            | -          | 1,366         |
| <u>Variations agreed by Executive 25/07/12</u>                       |              |              |              |              |            |               |
| Biggin Hill Heritage Centre – feasibility costs                      | 61           | 58           | -            | -            | -          | 119           |
| Bromley North Village – additional grant                             | -            | 1,463        | 404          | -            | -          | 1,867         |
| Net underspends in 11/12 rephased into 12/13                         | -2,499       | 2,499        | -            | -            | -          | -             |
| Rephasing from 2012/13 into 2013/14 – Bromley North Public Realm     | -            | -1,090       | 1,090        | -            | -          | -             |
| <b>Revised R&amp;R Programme</b>                                     | <b>5,454</b> | <b>7,544</b> | <b>3,051</b> | <b>2,010</b> | <b>251</b> | <b>18,310</b> |

#### 3.2 Biggin Hill Heritage Centre – feasibility work (addition of £119k)

At previous meetings of the Executive, most recently in February 2012, business case and feasibility studies were approved in relation to the proposed Biggin Hill Heritage Centre at a total cost of £119k. The works are being funded by Section 106 developers' contributions, so there is no cost to the Council. The Executive approved the inclusion of a scheme in the programme.

#### 3.3 Bromley North Village Public Realm improvements (addition of £1,867k)

The Executive was informed that additional grant support (£1,829k) for the Bromley North Village scheme had recently been announced by the Greater London Authority under its Outer London Fund initiative. A further £38k had also been secured from the private sector. The Executive approved the inclusion of £1,463k in 2012/13 and £404k in 2013/14 for this scheme.

#### 3.4 Scheme Rephasing

In reports to both the June and July meetings, the Executive was informed of the final outturn for capital expenditure in 2011/12 and noted that the overall level of slippage into later years (some £6.9m) was significantly lower than in previous years. Slippage of capital spending estimates has been a recurring theme over the years and Members were pleased to note that, following a review of the system for capital monitoring and for estimating the phasing of expenditure, carried out after the 2010/11 final outturn, a more realistic approach towards anticipating slippage was

taken in setting the revised estimates in February. Some £2.5m of the overall slippage from 2011/12 into 2012/13 related to R&R Portfolio schemes and this is analysed in the following table. At this early stage in the year, one further rephasing opportunity has been identified and some £1.1m has been rephased from 2012/13 into 2013/14 on the Bromley North Village scheme.

| Scheme slippage from 2011/12 into 2012/13 | 2011/12 Budget (Feb 12) | 2011/12 Outturn | 2011/12 Under/Over spend | 2012/13 Budget (Feb12) | Slippage from 2011/12 | 2012/13 Revised Budget |
|---|-------------------------|-----------------|--------------------------|------------------------|-----------------------|------------------------|
|   | £000                    | £000            | £000                     | £000                   | £000                  | £000                   |
| Biggin Hill Leisure Centre                | 218                     | 161             | -57                      | -                      | 57                    | 57                     |
| Pavilion Leisure Centre refurbishment     | 4,903                   | 4,007           | -896                     | 566                    | 896                   | 1,462                  |
| Orpington Library relocation              | 860                     | 772             | -88                      | -                      | 88                    | 88                     |
| Bromley North Village #                   | 300                     | 130             | -170                     | 3,000                  | 170                   | 3,543                  |
| Outer London Fund – Town Centres          | 226                     | 211             | -15                      | -                      | 15                    | 15                     |
| Housing provision                         | 420                     | -               | -420                     | -                      | 420                   | 420                    |
| Housing PIL Fund                          | 965                     | 112             | -853                     | 401                    | 853                   | 1,254                  |
| <b>TOTAL SLIPPAGE</b>                     |                         |                 | <b>-2,499</b>            |                        | <b>2,499</b>          |                        |

# 2012/13 budget includes adjustments re additional grant £1,463k (see para 3.3) and cr £1,090k re slippage rephased from 2012/13 into 2013/14 (para 3.4).

#### 2011/12 Capital Programme outturn – other issues (Post Completion Reviews)

3.5 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 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. Post-completion reports on the following schemes are included elsewhere on this agenda.

Biggin Hill Leisure Centre

Orpington Library relocation

#### 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 25<sup>th</sup> July 2012. Changes agreed by the Executive for the R&R Portfolio Capital Programme are set out in the table in paragraph 3.1.

|   |  |
|---|--|
| <b>Non-Applicable Sections:</b>                       | Legal and Personnel Implications   |
| Background Documents:<br>(Access via Contact Officer) | Departmental monitoring returns June 2012.<br>Approved Capital Programme (Executive 1/2/12).<br>Capital Programme Outturn 2011/12 report (Executive 20/6/12) and Q1 monitoring report (Executive 25/7/12). |