

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

**Date:** For Pre-Decision Scrutiny by the Renewal and Recreation Policy Development and Scrutiny Committee on Tuesday 13 November 2012

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

**Title:** **CAPITAL PROGRAMME-2ND QUARTER MONITORING 2012/13**

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**Chief Officer:** Director of Resources

**Ward:** (All Wards);

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1. Reason for report

On 24th October 2012, the Executive received the 2nd quarterly capital monitoring report for 2012/13 and agreed a revised Capital Programme for the four year period 2012/13 to 2015/16. This report highlights in paragraphs 3.1 to 3.3 changes agreed by the Executive in respect of the Capital Programme for the Renewal & Recreation (R&R) Portfolio and highlights in Appendix B progress on schemes in the 2012/13 programme. The revised programme for this portfolio is set out in Appendix A.

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2. **RECOMMENDATION(S)**

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

### Corporate Policy

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

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £11.4m for R&R Portfolio over four years 2012/13 to 2015/16
  5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
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### Staff

1. Number of staff (current and additional): 2.25fte
  2. If from existing staff resources, number of staff hours: 9 hours per week
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### Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
  2. Call-in: 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 agreed by the Executive on 24<sup>th</sup> October 2012

3.1 A revised Capital Programme was approved by the Executive in October, following a detailed monitoring exercise carried out after the 2nd quarter of 2012/13. The base position was the revised programme approved by the Executive on 25<sup>th</sup> July 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 3.3. The revised Programme for the R&R Portfolio is attached as Appendix A and detailed comments on individual schemes are included at Appendix B.

Capital Expenditure	2012/13	2013/14	2014/15	2015/16	TOTAL
	£000	£000	£000	£000	£000
Approved Capital Programme (25/07/12)	7,567	3,051	2,010	251	12,879
<u>Variations agreed by Executive after Q1 monitoring</u>					
Biggin Hill Leisure Centre – supplementary estimate (Executive 24/10/12)	143	-	-	-	143
Pavilion Leisure Centre – underspend (Executive 24/10/12)	-475	-	-	-	-475
<u>Schemes moved between portfolios</u>					
Housing provision (to Care Portfolio)	-420	-	-	-	-420
Housing PIL Fund (to Care Portfolio)	-1,254	-	-	-	-1,254
<u>Variations agreed by Executive 24/10/12</u>					
Outer London Fund – Bromley Town Centre	-9	-	-	-	-9
Bromley MyTime Investment Fund	574	-	-	-	574
<b>Revised R&amp;R Programme</b>	<b>6,126</b>	<b>3,051</b>	<b>2,010</b>	<b>251</b>	<b>11,438</b>

#### 3.2 Outer London Fund – Bromley Town Centre (reduction of £9k in 2012/13)

The Council has been informed that the application for a proposed extension project to be funded by the GLA's Outer London Fund has not been agreed and the Executive agreed to a reduction of £9k to the 2012/13 Capital Programme budget.

#### 3.3 Bromley MyTime Investment Fund (addition of £574k in 2012/13)

The R&R revenue budget includes £591k for the 2012/13 contribution to the Bromley MyTime Investment Fund and, as was outlined in a post-completion report on the Pavilion Leisure Centre scheme submitted to the Executive on 24<sup>th</sup> October, £17k of this was required to complete the funding of that scheme. The Executive approved the inclusion of the remaining balance of the Investment Fund (£574k) in the 2012/13 Capital Programme.

#### 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 was analysed in the 1<sup>st</sup> quarter's monitoring report to the last meeting in October. In that report, one further rephasing opportunity had been identified and some £1.1m was rephased from 2012/13 into 2013/14 on

the Bromley North Village scheme. No further rephasings have been identified in the 2<sup>nd</sup> quarter and the latest position on 2012/13 capital schemes is outlined in Appendix B.

## 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 Biggin Hill Leisure Centre and Pavilion Leisure Centre schemes were submitted to the last meeting of this PDS Committee and to the Executive on 24<sup>th</sup> October and no further reports are currently due in respect of completed R&R schemes.

## 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 24<sup>th</sup> October 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: (Access via Contact Officer)	Departmental monitoring returns September 2012. Approved Capital Programme (Executive 24/10/12). Capital Programme Q1 monitoring report (Executive 24/10/12).