

Decision Maker: Care Services Portfolio Holder

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 4 December 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);

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 Care Services 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.

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: Capital Programme monitoring and review is part of the planning and review process for all services.
 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: N/A (Capital Programme)
 4. Total current budget for this head: £13.8m for the Care Services 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): 0.25 fte
 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 24th 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 25th July 2012, as amended by variations approved at subsequent Executive meetings. Changes to the Care Services Portfolio Programme approved by the Executive in October are shown in the table below and further details are included in paragraphs 3.2 and 3.3. The revised Programme for the Care Services 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)	6,861	2,884	1,020	1,020	11,785
<u>Schemes moved between portfolios</u>					
Housing provision (from R&R Portfolio)	420	-	-	-	420
Housing PIL Fund (from R&R Portfolio)	1,254	-	-	-	1,254
	8,535	2,884	1,020	1,020	13,459
<u>Variations agreed by Executive 24/10/12</u>					
PCT Learning Disability reprovision programme – additional income from PCT	625	-	-	-	625
Disabled Facilities Grants – reduction in revenue funding	-68	-68	-68	-68	-272
Scheme rephasing from 2012/13 into later years					
- PCT Learning Disability reprovision programme	-600	600	-	-	-
- London private sector renewal schemes	-576	300	276	-	-
- Disabled Facilities Grants	-485	245	240	-	-
Revised Care Services Programme	7,431	3,961	1,468	952	13,812

3.2 PCT Learning Disability Reprovision Programme (addition of £625k in 2012/13)

Further to previous reports, the Council operates under a Section 75 agreement as the lead commissioner for the PCT Campus Programme. Early in 2012, Bromley PCT transferred a further £625k to the Council to enable the purchase of 118 Widmore Road, bringing the total transfer to around £11m, specifically for the reprovision of LD services. The PCT Campus Programme continues to make good progress and the Executive agreed the inclusion of the additional £625k in the Capital Programme in 2012/13.

3.3 Disabled Facilities Grants – reduction in revenue funding (reduction of £272k over the 4 year period 2012/13 to 2015/16)

The annual base budget for Disabled Facilities Grants is £1,010k, funded by government grant of £710k and a revenue contribution of £300k. From 2012/13, the revenue contribution has been reduced to £232k and the Executive agreed that the Capital Programme budget be reduced accordingly (by £68k per annum).

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 £107k of the overall slippage from 2011/12 into 2012/13 related to Care Services Portfolio schemes and this was analysed in the 1st quarter's monitoring report to the PDS Committee meeting in September. No further rephasing opportunities had been identified at that stage, but three schemes were rephased in the 2nd quarter (see the table in paragraph 3.1). 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. While no post-completion reports are currently due for completed Care Services Portfolio 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 24th October 2012. Changes agreed by the Executive for the Care Services Portfolio Capital Programme 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 September 2012. Approved Capital Programme (Executive 24/10/12). Capital Programme Q1 monitoring report (Executive 24/10/12).