

**Decision Maker:** RENEWAL & RECREATION PORTFOLIO HOLDER

**Date:** For pre-decision scrutiny by the Renewal & Recreation PDS Committee on 27th October 2015

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

**Title:** CAPITAL PROGRAMME MONITORING - 1<sup>ST</sup> QUARTER 2015/16

**Contact Officer:** Martin Reeves, Principal Accountant (Technical & Control)  
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**Chief Officer:** Director of Finance

**Ward:** All

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1. Reason for report

On 15th July 2015, the Executive received the 1st quarterly capital monitoring report for 2015/16 and agreed a revised Capital Programme for the four year period 2015/16 to 2018/19. The report also covered any detailed issues relating to the 2014/15 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 Portfolio. The revised programme for this portfolio is set out in Appendix A, detailed comments on scheme progress as at the end of the first quarter of 2015/16 are shown in Appendix B, and details on the 2014/15 outturn are included in Appendix C.

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2. **RECOMMENDATION(S)**

**The Portfolio Holder is asked to note and 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. Capital schemes help to maintain and improve the quality of life in the borough. Affective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The Council continuously reviews its property assets and service users are regularly asked to justify their continued use of the property. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
  2. BBB Priority: Excellent Council
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## Financial

1. Cost of proposal: Total increase of £1.2m over the 4 years 2015/16 to 2018/19, mainly due to additional £638k on Bromley Mytime Investment scheme (see para 3.2) and re-phasing of expenditure from 2014/15 (see para 3.4).
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £7.0m for the Renewal & Recreation Portfolio over four years 2015/16 to 2018/19
  5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
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## Staff

1. Number of staff (current and additional): 1 fte
  2. If from existing staff resources, number of staff hours: 36 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? N/A
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

#### Capital Monitoring – variations agreed by the Executive on 15th July 2015

3.1 A revised Capital Programme was approved by the Executive in July, following final outturn figures for 2014/15 and a detailed monitoring exercise carried out after the 1st quarter of 2015/16. The base position was the revised programme approved by the Executive on 11th February 2015, as amended by variations approved at subsequent Executive meetings. All changes on schemes in the Renewal & Recreation Programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.4. The revised Programme for the Renewal & Recreation Portfolio is attached as Appendix A. Appendix B shows actual spend against budget in the first quarter of 2015/16, together with detailed comments on individual schemes, and Appendix C includes details of the final outturn at 2014/15.

	2015/16	2016/17	2017/18	2018/19	TOTAL 2015/16 to 2018/19
	£000	£000	£000	£000	£000
Programme approved by Executive 11/02/15	2,107	1,545	10	10	3,672
Penge Town Centre/Crystal Palace Public Realm (Executive 24/03/15)	300	446	0	0	746
Orpington Town Centre (Executive 24/03/15)	285	240	0	0	525
Crystal Palace Park - Alternative Management Options (Executive 24/03/15)	272	223	0	0	495
Relocation of Exhibitions - Bromley Musuem (Executive 10/06/15)	395	0	0	0	395
Approved Programme prior to 1st Quarter's Monitoring	3,359	2,454	10	10	5,833
<u>Variations approved by Executive 15/07/15</u>					
Bromley Mytime Investment Fund (see para 3.2)	638	0	0	0	638
Churchill Theatre & Central Library Chiller (see para 3.3)	18	0	0	0	18
Net underspendings in 2014/15 rephased into 2015/16 (see para 3.4)	515	0	0	0	515
Total Amendment to the Capital Programme	1,171	0	0	0	1,171
<b>Total Revised R&amp;R Programme</b>	<b>4,530</b>	<b>2,454</b>	<b>10</b>	<b>10</b>	<b>7,004</b>

#### 3.2 Bromley Mytime Investment Fund (£638k increase in 2015/16)

There is annual provision in the revenue budget for a contribution towards capital investment in Council leisure centres by Bromley MyTime. In July, Members approved the inclusion of £638k in to the Capital Programme, which brings the total contribution to £1,892k in 2015/16.

#### 3.3 Churchill Theatre & Central Library Chillers (£18k increase in 2015/16)

The Churchill Theatre & Central Library Chiller scheme aims to replace the existing mechanical plant at the Central Library / Churchill Theatre Site. This is required for Health & Safety reasons (legionella) and to mitigate the risk of financial claims from the theatre in the event of equipment failure. The contract for the chiller replacements has been recently awarded to East West Connect Ltd, but the agreed prices was £18k higher than the approved budget (within the 5% threshold). The July Executive approved an additional £18k to the existing budget of £460k.

#### 3.4 Net underspendings in 2014/15 re-phased into 2015/16

The 2014/15 Capital Outturn was reported to the Executive on 10<sup>th</sup> June 2015. The final capital outturn for the year for Renewal & Recreation Portfolio schemes was £3,730k compared to a revised budget of £4,254k approved by the Executive in February. After allowing for minor adjustments that were not re-phased, a total of £515k was re-phased into 2015/16. This was mainly due to delays on the Bromley MyTime Investment Fund scheme. Details of the 2014/15 outturn for this Portfolio are set out in Appendix C.

## Post-Completion Reports

3.5 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. After major slippage of expenditure in recent years, 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. No post-completion reports are currently due for the Renewal & Recreation Portfolio, but this quarterly report will monitor the future position and will highlight any further reports required.

## 4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

## 5. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 15th July 2015. Changes agreed by the Executive for the Renewal & Recreation 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 June 2015. Approved Capital Programme (Executive 11/02/15). Capital Outturn report (Executive 10/06/15) and Q1 monitoring report (Executive 15/07/15).