

Decision Maker: PORTFOLIO HOLDER FOR CARE SERVICES

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 12 January 2016

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2015/16

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

Ward: All

1. Reason for report

- 1.1 On 2nd December 2015, the Council's Executive received the 2nd quarterly capital monitoring report for 2015/16 and agreed a revised Capital Programme for the four year period 2015/16 to 2018/19. This report highlights in paragraphs 3.1 to 3.6 changes agreed by the Executive in respect of the Capital Programme for the Care Services Portfolio. The revised programme for this portfolio is set out in Appendix A, and detailed comments on scheme progress as at the end of the first half of 2015/16 are shown in Appendix B.

2. **RECOMMENDATION**

- 2.1 **The Portfolio Holder for Care Services is asked to note and confirm the changes agreed by the Executive in December.**

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. Effective 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 £1.3m over the 4 years 2015/16 to 2018/19.
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £17.7m for the Care Services 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: 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 2nd December 2015

3.1 A revised Capital Programme was approved by the Executive in December, following a detailed monitoring exercise carried out after the 2nd quarter of 2015/16. The base position was the revised programme approved by the Executive on 15th July 2015, as amended by variations approved at subsequent Executive meetings. All changes on schemes in the Care Services Programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.6. The revised Programme for the Care Services Portfolio is attached as Appendix A. Appendix B shows actual spend against budget at the end of the first half of 2015/16, together with detailed comments on individual schemes.

	2015/16	2016/17	2017/18	2018/19	TOTAL
	£000	£000	£000	£000	2015/16 to 2018/19 £000
Programme approved by Executive 15/07/15	12,115	4,087	10	10	16,222
Site G - Specialist legal & development advice (Executive 24/03/15)	200	0	0	0	200
	12,315	4,087	10	10	16,422
<u>Variations approved by Executive 02/12/15</u>					
Manorfields – Temporary Accommodation (see para 3.2)	450	0	0	0	450
Empty Homes Property Scheme (see para 3.3)	170	0	0	0	170
London Private Sector Renewal Scheme (see para 3.4)	74	0	0	0	74
Section 106 receipts from developers (see para 3.5)	616	0	0	0	616
Schemes rephased from 2015/16 into later years (see para 3.6)	-9,220	9,098	122	0	0
Total Amendment to the Capital Programme	-7,910	9,098	122	0	1,310
Total Revised Care Services Programme	4,405	13,185	132	10	17,732

3.2 Manorfields – Temporary Accommodation – (£450k increase in 2015/16)

In December, the Executive approved the inclusion of £450k additional funding from GLA on the Manorfields refurbishment scheme. The funding will meet the cost of additional works required following the planning decision, replacement of the boiler and associated building works in order for the system to meet with current regulations.

3.3 Empty Homes Property Scheme – (£170k increase in 2015/16)

An additional allocation of £120k was received from GLA on the Empty Homes Property Scheme. In conjunction with our bid to GLA for funding on Manorfields (para. 3.2), GLA have accepted our bid for a further allocation of £50k on an additional 5 privately owned properties on the same basis as the previous year's bid, limited to £10k per unit. On 2nd December 2015, Members approved a net increase of £170k in 2015/16 on the Empty Homes Property scheme to reflect the funding available.

3.4 London Private Sector Renewal Scheme – (£74k increase in 2015/16)

The London Private Sector Renewal Scheme is a revolving loan fund provided by the GLA and South East London Housing Partnership (SELHP) to allow Authorities to assist vulnerable home owners to maintain their properties to an adequate condition to allow them to remain safely in their own homes. There is no longer any new money provided by the funders and the scheme now functions on recycled funding. In December, the Executive approved a net increase of £74k in 2015/16 on the London Private Sector Renewal Scheme to reflect the total funding available.

This included repayments of £1k on Home repair assistance grant, £12k on Home improvement loan, £4k on Handy person plus grant, and £57k on SELHP grant.

3.5 Section 106 receipts from developers (uncommitted balance) – (increase of £616k in 2015/16)

In previous years, the Capital Programme budget for Section 106 receipts has been adjusted as and when new spending plans receive approval. In July 2015, the Executive agreed that the Capital Programme budget should, in future, agree with the total of S106 receipts available to fund expenditure. In December 2015 the Executive agreed an increase of £616k in the Capital Programme budget for Section 106 to match the total funding available (from a total approved budget of £6,078k in the July Executive report to £6,694k in the December Executive report). The approved S106 budgets for the Care Services Capital Programme (after rephasing) are illustrated in the table below.

	Total Approved S106 Budget £000	Actuals upto FY14/15 £000	Budget FY15/16 £000	Budget FY16/17 £000
Housing:				
Purchase of Properties	1,120	1,016	104	0
Site K	672	0	605	67
Site G (£5.9m - £3m PIL £2.9m Growth Fund)	3,000	0	0	3,000
Uncommitted balance (as at Oct 2015)	1,902	0	0	1,902
Housing Total	6,694	1,016	709	4,969

3.6 Schemes rephased from 2015/16 into later years

As part of the 2nd quarter monitoring exercise, £9,220k has been re-phased from 2015/16 into 2016/17 (£9,098k), and 2017/18 (£122k) to reflect revised estimates of when expenditure on the Care Services schemes is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme. This is itemised in the table below and comments on scheme progress are provided in Appendix B.

Capital Expenditure – Rephasing in Q2 monitoring	2015/16 £000	2016/17 £000	2017/18 £000
Empty Homes Programme	-242	120	122
Housing Zone Bid and Site G	-5,900	5,900	0
Mental Health Grant	-176	176	0
Social Care Grant	-1,000	1,000	0
S106 - Housing PIL (unallocated)	-1,902	1,902	0
Total Care Service Programme rephasing	-9,220	9,098	122

Post-Completion Reports

3.7 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 Care Services 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 2nd December 2015. 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)	Approved Capital Programme (Executive 15/07/15). Q2 monitoring report (Executive 02/12/15).