

Decision Maker: RENEWAL & RECREATION PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Renewal & Recreation PDS Committee on 26th 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

On 2nd December 2015, the 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 3.5 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, and detailed comments on scheme progress as at the end of the first half of 2015/16 are shown in Appendix B.

2. **RECOMMENDATION(S)**

The Portfolio Holder 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: £0.2m increase 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: £7.2m 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 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 Renewal & Recreation Programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.5. The revised Programme for the Renewal & Recreation Portfolio is attached as Appendix A. Appendix B shows actual spend against budget in 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	4,530	2,454	10	10	7,004
<u>Variations approved by Executive 02/12/15</u>					
Bromley North Village - reduction in funding (see para 3.3)	-15	0	0	0	-15
Biggin Hill Leisure Centre - deletion of residual balance (see para 3.4)	-23	0	0	0	-23
Schemes rephased from 2015/16 into later years (see para 3.5)	-1,803	1,703	100	0	0
Total Amendment to the Capital Programme in Q2 monitoring	-1,841	1,703	100	0	-38
Biggin Hill Memorial Museum (see para 3.2) (Executive 02/12/15)	40	172	0	0	212
Total Revised R&R Programme	2,729	4,329	110	10	7,178

3.2 Biggin Hill Memorial Museum - £212k net increase (£40k in 2015/16 and £172k in 2016/17)

At its meeting in December, the Executive considered proposals to appoint conservation architects to undertake detailed design work for the proposed museum and agreed to add the scheme to the capital programme. A total of £212k has been included in the Renewal & Recreation Capital Programme of which £106k is funded from HM Treasury grant and £106k from the 2015/16 underspend in the Central Contingency.

3.3 Bromley North Village - £15k reduction in 2015/16

The Bromley North Village scheme (total cost £6,667k) was funded by £3.3m from TfL, £1,829k from GLA, £38k from Private Sector and £1.5m match funding from the Council. The work commissioned by local businesses was lower than anticipated and a reduced total of £25k was received from the private sector (reduction of £13k). During 2011/12 to 2014/15 total funding of £3,298k was received from TfL instead of £3.3m (reduction of £2k). In December, the Executive approved a £15k reduction on the Bromley North Village scheme to reflect the total funding received. The revised total value of the scheme in the Renewal & Recreation Portfolio is £6,652k.

3.4 Biggin Hill Leisure Centre – Deletion of residual balance (£23k reduction in 2015/16)

In December, Executive was informed that the outstanding works relating to flat roof issues and cladding defects has been completed and that the final payment of £72k (including retention)

had been paid to the contractor. Members agreed to delete the residual budget of £23k on the Biggin Hill Leisure Centre scheme.

3.5 Schemes rephased from 2015/16 into later years

As part of the 2nd quarter monitoring exercise, £1,803k has been re-phased from 2015/16 into later years to reflect revised estimates of when expenditure on Renewal & Recreation 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	2016/17	2017/18
	£000	£000	£000
Bromley MyTime Investment Fund	-1,000	1,000	0
Crystal Palace park - Alternative Management Options	-207	107	100
Crystal Palace Park Improvements	-124	124	0
Orpington Town Centre - Walnut Centre & New Market infrastructure	-75	75	0
Penge Town Centre	-200	200	0
Relocation of Exhibitions - Bromley Museum	-197	197	0
Total R&R Service Programme rephasing	-1,803	1,703	100

Post-Completion Reports

3.6 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 2nd December 2015. Changes agreed by the Executive for the Renewal & Recreation 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) Biggin Hill Memorial Museum (Executive 02/12/15)