

Decision Maker: CARE SERVICES PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Care Services PDS Committee on 10th March 2016

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 3ND QUARTER 2015/16 AND ANNUAL CAPITAL REVIEW 2016 TO 2020

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Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1 On 10th February 2016, the Executive received a report summarising the current position on capital expenditure and receipts following the 3rd quarter of 2015/16 and presenting for approval the new capital schemes in the annual capital review process. The Executive agreed a revised Capital Programme for the five year period 2015/16 to 2019/20. This report highlights 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, detailed comments on individual schemes are included at Appendix B and the new schemes approved for this Portfolio are set out in paragraph 3.5.
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2. **RECOMMENDATIONS**

- 2.1 **The Care Services Portfolio Holder is asked to note and confirm the changes agreed by the Executive on 10th February 2016.**

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". The capital review process requires Council Directors to ensure that bids for capital investment provide value for money and match Council plans and priorities.
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Increase of £10k due to 2019/20 annual provision for feasibility studies (see para 3.5).
 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 five years 2015/16 to 2019/20
 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 Expenditure

3.1 A revised Capital Programme was approved by the Executive on 10th February, following a detailed monitoring exercise carried out after the 3rd quarter of 2015/16. The Executive also considered and approved new capital schemes in the annual capital review process. This report identifies changes relating to the Care Services Portfolio and the table in paragraph 3.2 summarises the overall position following the Executive meeting.

Capital Monitoring - variations agreed by the Executive on 10th February 2016

3.2 The base position prior to the 3rd quarter's monitoring exercise was the revised programme approved by the Executive on 2nd December 2015, as amended by variations approved at subsequent Executive meetings. Changes to the Care Services Portfolio Programme approved by the Executive in February are shown in the table below and further details are included in paragraphs 3.3 to 3.5. The revised Programme for Care Services (including new schemes) is attached as Appendix A and detailed comments on individual schemes are included at Appendix B.

	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL 2015/16 to 2019/20
	£000	£000	£000	£000	£000	£000
Programme approved by Executive 02/12/15	4,405	13,185	132	10	0	17,732
Variations approved by Executive 10/02/16						
Schemes rephased from 2015/16 into 2016/17 (see para 3.3)	-411	411	0	0	0	0
Total Q3 Monitoring variations	-411	411	0	0	0	0
New schemes (see para 3.5)	0	0	0	0	10	10
Revised Care Service Capital Programme	3,994	13,596	132	10	10	17,742

3.3 Schemes rephased from 2015/16 into 2016/17

As part of the 3rd quarter monitoring exercise, £411k has been re-phased from 2015/16 into 2016/17 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 Q3 monitoring	2015/16 £000	2016/17 £000
Renovation Grants - Disabled Facilities	-178	178
Gateway Review of Housing I.T System	-100	100
London Private Sector Renewal Schemes	-77	77
Mobile technology to support children's social workers	-32	32
PCT Learning Disability re-provision programme - Walpole Road	-24	24
Total Care Services Programme rephasing	-411	411

Annual Capital Review – new scheme proposals

3.4 In recent years, we have steadily scaled down new capital expenditure plans and have transferred all of the rolling maintenance programmes to the revenue budget. Our general (un-earmarked) reserves, established from the disposal of our housing stock and the Glades Site, have been gradually spent and have fallen from £131m in 1997 to £48.9m (including unapplied

capital receipts) as at 31st March 2015. Our asset disposal programme has diminished and any new capital spending will effectively have to be met from our remaining revenue reserves.

3.5 As part of the normal annual review of the Capital Programme, Chief Officers were invited to come forward with bids for new capital investment. Apart from the regular annual capital bids (Devolved Formula Capital grant to schools, DSG-funded schools access initiative, TfL-funded Highway and Traffic schemes and feasibility studies), no additional bids were submitted. Invest to Save bids were particularly encouraged, but none were received, and it is assumed that any such bids will be submitted in due course through the earmarked reserve that was created in 2011. The 2019/20 annual provision for feasibility studies (£10k) on potential new schemes was approved and has now been included in the Care Services Capital Programme.

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 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. 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 10th February 2016. Changes agreed by the Executive for the Care Services Portfolio Capital Programme are set out in the table in paragraph 3.2.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Approved Capital Programme (Executive 02/12/15). Capital Q3 monitoring report (Executive 10/02/16).