

Decision Maker: RENEWAL & RECREATION PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Renewal & Recreation PDS Committee on 20th September 2016

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2016/17

Contact Officer: James Mullender, Principal Accountant
Tel: 020 8313 4292 E-mail: James.Mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 20th July 2016, the Executive received the 1st quarterly capital monitoring report for 2016/17 and agreed a revised Capital Programme for the four year period 2016/17 to 2019/20. The report also covered any detailed issues relating to the 2015/16 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 3.5 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, detailed comments on scheme progress as at the end of the first quarter of 2016/17 are shown in Appendix B and details on the 2015/16 outturn are included in Appendix C.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and confirm the changes agreed by the Executive on 20th July 2016.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring 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
-

Financial

1. Cost of proposal: Total increase of £1.2m over the 4 years 2016/17 to 2019/20, mainly due to additional £644k on Bromley Mytime Investment scheme (see para 3.3) and £412k rephasing from 2015/16 (see para 3.4).
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £6.7m for the Renewal & Recreation Portfolio over four years 2016/17 to 2019/20
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): 1 fte
 2. If from existing staff resources, number of staff hours: 36 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

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 20th July 2016

3.1 A revised Capital Programme was approved by the Executive in July, following final outturn figures for 2015/16 and a detailed monitoring exercise carried out after the 1st quarter of 2016/17. The base position was the revised programme approved by the Executive on 10th February 2016, 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 quarter of 2016/17, together with detailed comments on individual schemes. Appendix C includes details of the final outturn for 2015/16.

	2016/17	2017/18	2018/19	2019/20	TOTAL 2016/17 to 2019/20
	£000	£000	£000	£000	£000
Programme approved by Executive 10/02/16	5,200	110	10	10	5,330
Biggin Hill Memorial Museum (Executive 15/06/16)	208	0	0	0	208
Approved Programme prior to 1st Quarter's Monitoring	5,408	110	10	10	5,538
<u>Variations approved by Executive 20/07/16</u>					
Crystal Palace Park Improvements - Historic England Grant (see para 3.2)	116	0	0	0	116
Increase in Bromley MyTime Investment Fund (see para 3.3)	644	0	0	0	644
Net underspend in 15/16 rephased into 16/17 (see para 3.4)	412	0	0	0	412
Rephasing from 16/17 to 17/18 (see para 3.5)	-2,706	2,706	0	0	0
Total Amendment to the Capital Programme	-1,534	2,706	0	0	1,172
Total Revised R&R Programme	3,874	2,816	10	10	6,710

3.2 Crystal Palace Park Improvements (£116k increase in 2016/17)

In February 2016, the Council was awarded £116k grant from Historic England towards conservation works at Crystal Palace Park. The grant will fund the conservation of the South Terrace Steps and the works will be completed at the same time as the Sphinxes conservation. In July, Members approved the inclusion of £116k in 2016/17 on the Crystal Palace Park Improvements scheme.

3.3 Bromley Mytime Investment Fund (£644k increase in 2016/17)

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 addition of £644k revenue contribution to the Capital Programme, which brings the total revenue contribution to £2,514k.

3.4 Net underspendings in 2015/16 re-phased into 2016/17

The 2015/16 Capital Outturn was reported to the Executive on 15th June 2016. The final outturn for Renewal & Recreation Portfolio schemes was £1,436k compared to a revised budget of £1,858k approved by the Executive in February. After allowing for minor adjustments that were not re-phased, a total of £412k was re-phased into 2016/17. This was mainly due to delays on the Bromley North Village scheme. Details of the 2015/16 outturn for this Portfolio are set out in Appendix C.

3.5 Schemes re-phased from 2017/18 into 2018/19

As part of the 1st quarter monitoring exercise, £2,706k has been re-phased from 2016/17 into 2017/18 to reflect revised estimates of when expenditure on these schemes is likely to be incurred. This is itemised in the table below and comments on scheme progress are provided in Appendix B.

Capital Expenditure – Rephasing in Q1 monitoring	2016/17 £000	2017/18 £000
Central Library/Churchill Theatre - chillers and controls	-32	32
Crystal Palace Park Improvements	-1,000	1,000
Bromley MyTime Investment Fund	-1,674	1,674
Total Renewal & Recreation Programme rephasing	-2,706	2,706

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 20th July 2016. 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 20/07/16) Capital Outturn report (Executive 15/06/16) Q1 monitoring report (Executive 20/07/16)