

**Decision Maker:** PORTFOLIO HOLDER FOR CARE SERVICES

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 21<sup>st</sup> March 2017

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

**Title:** CAPITAL PROGRAMME MONITORING - 3<sup>RD</sup> QUARTER 2016/17 AND ANNUAL CAPITAL REVIEW 2017 TO 2021

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**Chief Officer:** Director of Finance

**Ward:** Borough-wide

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1. Reason for report

- 1.1 On 8<sup>th</sup> February 2017, the Executive received a report summarising the current position on capital expenditure and receipts following the 3<sup>rd</sup> quarter of 2016/17 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 2016/17 to 2020/21. 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. **RECOMMENDATION**

- 2.1 **The Portfolio Holder for Care Services is asked to note and confirm the changes agreed by the Council's Executive on 8<sup>th</sup> February 2017.**

## 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. 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: £10k in 2020/21 (see para 3.5).
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £15.6m for the Care Services Portfolio over five years 2016/17 to 2020/21
  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 8<sup>th</sup> February 2017, following a detailed monitoring exercise carried out after the 3<sup>rd</sup> quarter of 2016/17. 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 8<sup>th</sup> February 2017

3.2 The base position prior to the 3<sup>rd</sup> quarter's monitoring exercise was the revised programme approved by the Executive on 30<sup>th</sup> November 2016, 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.

	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL 2016/17 to 2020/21
	£000	£000	£000	£000	£000	£000
Programme approved by Executive 30/11/16	5,622	9,927	10	10	0	15,569
<u>Variations approved by Executive 08/02/17</u>						
Schemes rephased from 2016/17 into 2017/18 (see para 3.3)	-1,255	1,255	0	0	0	0
Total Q3 Monitoring variations	-1,255	1,255	0	0	0	0
New scheme (see para 3.5)	0	0	0	0	10	10
<b>Revised Care Service Capital Programme</b>	<b>4,367</b>	<b>11,182</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>15,579</b>

#### 3.3 Schemes rephased from 2016/17 into 2017/18

As part of the 3<sup>rd</sup> quarter monitoring exercise, £1,255k has been re-phased from 2016/17 into 2017/18 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	2016/17 £000	2017/18 £000
Renovation Grants - Disabled Facilities	-180	180
Gateway Review of Housing I.T System	-183	183
London Private Sector Renewal Schemes	-70	70
Mobile technology to support children's social workers	-32	32
PCT Learning Disability re-provision programme - Walpole Road	-200	200
Mental health grant	-100	100
Supporting Independence – Extra Care Housing	-13	13
Transforming Social Care	-11	11
Star Lane Traveller Site	-192	192
Empty Homes Programme	-113	113
Payment in Lieu Fund – Site K	-67	67
Payment in Lieu Fund – Properties Acquisition	-94	94
<b>Total Care Services Programme rephasing</b>	<b>-1,255</b>	<b>1,255</b>

## Annual Capital Review – new scheme proposals

- 3.4 In recent years, the Council has steadily scaled down new capital expenditure plans and has transferred all of the rolling maintenance programmes to the revenue budget. General (un-earmarked) reserves, established from the disposal of housing stock and the Glades Site, have been gradually spent and have fallen from £131m in 1997 to £49.6m (including unapplied capital receipts) as at 31st March 2016. The Council's asset disposal programme has diminished and any new capital spending will effectively have to be met from the Council's 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, including Invest to Save bids which were particularly encouraged. No bids for new schemes were received for the Care Services Portfolio. The 2020/21 annual provision for feasibility studies (£10k) on potential new schemes was approved and has been added to the 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 8<sup>th</sup> February 2017. Changes agreed by the Executive for the Care Services Portfolio Capital Programme are set out in the table in paragraph 3.2.

<b>Non-Applicable Sections:</b>	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Approved Capital Programme (Executive 30/11/16). Capital Q3 monitoring report (Executive 08/02/17).