

Decision Maker: PORTFOLIO HOLDER FOR CARE SERVICES

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 5th September 2017

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2017/18

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Chief Officer: Director of Finance

Ward: Borough-wide

1. Reason for report

- 1.1 On 19th July 2017, the Council's Executive received the 1st quarterly capital monitoring report for 2017/18 and agreed a revised Capital Programme for the four year period 2017/18 to 2020/21. The report also covered any detailed issues relating to the 2016/17 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 3.6 changes agreed by the Council's 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 scheme progress as at the end of the first quarter of 2017/18 are shown in Appendix B, and details of the 2016/17 outturn are included in Appendix C.
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2. RECOMMENDATION

- 2.1 The Care Services PDS Committee is asked to note and comment on the contents of this report prior to the Portfolio Holder for Care Services being requested to:
- i) Note and confirm the changes agreed by the Council's Executive on 19th July 2017.

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. 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: Total reduction of £1.4m over the 4 years 2017/18 to 2020/21, mainly due to transfer Site G scheme to R&R portfolio, which is offset by £1.8m additional Disabled Facilities Grant allocation, and £1.7m re-phased from 2016/17 underspends
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £10.8m for the Care Services Portfolio over four years 2017/18 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): 1fte
 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: Executive Decision
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

Capital Monitoring – variations agreed by the Council’s Executive on 19th July 2017

3.1 A revised Capital Programme was approved by the Council’s Executive in July, following final outturn figures for 2016/17 and a detailed monitoring exercise carried out after the 1st quarter of 2017/18. The base position was the revised programme approved by the Council’s Executive on 8th February 2017, as amended by variations approved at subsequent Executive meetings. All changes to 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 spends against budget in the first quarter of 2017/18, together with detailed comments on individual schemes. Appendix C includes details of the final outturn for 2016/17.

	2017/18	2018/19	2019/20	2020/21	TOTAL 2017/18 to 2020/21
	£000	£000	£000	£000	£000
Programme approved by Executive 08/02/17	11,182	10	10	10	11,212
Variations approved at subsequent Executive meetings					
- Replacement of Housing Information System (Exec 22/03/17)	459	0	0	0	459
- S106 receipts unallocated balance (Exec 20/06/17)	500	0	0	0	500
Approved Programme prior to Q1 Monitoring	12,141	10	10	10	12,171
<u>Variations approved by Executive 19/07/17</u>					
Increased grant funding for Disabled Facilities Grants (see para 3.2)	438	1,400	0	0	1,838
Drawdown S106 receipts from uncommitted balance (see para 3.3)					
- Affordable Housing Grants Scheme	2,500	0	0	0	2,500
- S106 uncommitted balance	Cr 2,500	0	0	0	Cr 2,500
Section 106 receipts from developers (see para 3.4)	3	0	0	0	3
Net underspendings in 16/17 rephased into 17/18 (see para 3.5)	1,655	0	0	0	1,655
Rephasing from 17/18 to 18/19 (see para 3.6)	Cr 1,410	1,410	0	0	0
Total Amendment to the Capital Programme	686	2,810	0	0	3,496
Transfer of Site G scheme from Care Services portfolio into R&R portfolio (see para 3.3)	Cr 4,894	0	0	0	Cr 4,894
Total Revised Care Services Programme	7,933	2,820	10	10	10,773

3.2 Renovation Grants – Disabled Facilities (£1,838k increase)

The Disabled Facilities Grant (DFG) is for the provision of adaptations to disabled people’s homes to help them to live as independently and safely as possible. The capital allocation received for 2017/18 from the Department for Communities and Local Government totals £1,838k. The funding will enable additional schemes to provide physical improvements to clients’ home environments and to assist with creating safer and healthier homes, and reduce admissions to hospital. The Executive agreed the addition of £1,838k to the DFG scheme to reflect the total funding available.

3.3 Transfer of £2,500k from Housing S106 unallocated balance into Affordable Housing Grants scheme (net nil variation) and transfer of Site G scheme to R&R portfolio (£4,894k reduction in 17/18)

On 19th July 2017 Executive approved a report relating to Housing S106 Payment In Lieu Contributions. This was subsequently approved by Council on 25th July for the addition of the £2.5m Affordable Housing Grants scheme to the Capital Programme, funded from S106

unallocated balance. The report also requested that the existing capital scheme relating to the Housing Zone be reallocated for affordable Housing in Bromley Town Centre to reflect that whilst the sites remain unchanged, the Housing Zone no longer exists. As a result of this, the Site G element of the scheme which has £4,894k budget remaining has been transferred from Care Services portfolio into Renewal and Recreation portfolio.

3.4 Section 106 receipts from developers (uncommitted balance) – (increase of £3k in 2017/18)

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 June and July 2017 the Executive agreed a total of £503k increase in Capital Programme budget for Section 106 to match the total funding available. The approved S106 budgets for the Care Services Capital Programme (after rephasing) are illustrated in the table below.

	Total Approved S106 Budget £000	Actuals up to FY16/17 £000	Budget FY17/18 £000
Housing:			
Purchase of Properties	1,120	1,021	99
Site K	672	605	67
Affordable Housing	2,500	0	2,500
Uncommitted balance (as at July 2017)	251	0	251
Housing Total	4,543	1,626	2,917

3.5 Net underspends in 2016/17 re-phased into 2017/18

The 2016/17 Capital Outturn was reported to the Executive on 20th June 2017. The final capital outturn for the year for Care Services Portfolio schemes was £2,702k compared to a revised budget of £4,367k approved by the Executive in February. After allowing for adjustments in respect of schemes that were not re-phased, a net underspend of £1,655k was re-phased into 2017/18. Details of the 2016/17 outturn for this Portfolio are set out in Appendix C

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

As part of the 1st quarter monitoring exercise, £1,410k has been re-phased from 2017/18 into 2018/19 to reflect revised estimates of when expenditure on the Care Services 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	2017/18 £000	2018/19 £000
Social Care Grant	Cr 1,234	1,234
Gateway Review of housing I.T System	Cr 176	176
Total Care Services Programme rephasing	Cr 1,410	1,410

Progress on works at Star Lane

3.7 The work is to replace much of the water supply to meet minimum regulatory standards. The project was assigned to Operational Property to implement and project manage. However there have been significant delays and limited progress regarding this project. Concerns have been

escalated and this has been raised as a priority with Amey. The project is now underway with final works specifications being determined with Thames Water. Officers anticipate that the work will be undertaken and completed during quarters 2 & 3 2017/18.

Post-Completion Reports

3.8 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. 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 19th July 2017. 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, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Approved Capital Programme (Executive 19/07/17) Capital Outturn report (Executive 20/06/17) Q1 monitoring report (Executive 19/07/17) Housing S106 Payment in Lieu Contributions (19/07/17)