

Decision Maker: PORTFOLIO HOLDER FOR CARE SERVICES

Date: For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 9th January 2018

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2017/18

Contact Officer: James Mullender, Principal Accountant
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Chief Officer: Director of Finance

Ward: Borough-wide

1. Reason for report

- 1.1 On 6th December 2017, the Council's Executive received the 2nd quarterly capital monitoring report for 2017/18 and agreed a revised Capital Programme for the four year period 2017/18 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 scheme progress as at the end of the second quarter of 2017/18 are shown in Appendix B.

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 6th December 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: Nil net effect
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £13.4m 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
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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 6th December 2017

3.1 A revised Capital Programme was approved by the Executive on 6th December 2017, following a detailed monitoring exercise carried out after the 2nd quarter of 2017/18. The base position is the programme approved by the Executive on 19th July 2017, as amended by variations approved at subsequent Executive meetings. 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 scheme progress as at the end of the second quarter of 2017/18 are shown in Appendix B.

	2017/18	2018/19	2019/20	2020/21	TOTAL 2017/18 to 2020/21
	£000	£000	£000	£000	£000
Programme approved by Executive 17/07/17	7,933	2,820	10	10	10,773
Variations approved at subsequent Executive meetings - Site G (Exec 07/11/17) (see para 3.2.1)	2,640	0	0	0	2,640
Approved Programme prior to Q2 Monitoring	10,573	2,820	10	10	13,413
Variations approved by Executive 06/12/17	0	0	0	0	0
Total Amendment to the Capital Programme	0	0	0	0	0
Total Revised Care Services Programme	10,573	2,820	10	10	13,413

3.2 Variations approved at subsequent Executive meetings

3.2.1 Balance of S106 Payment in Lieu monies set aside towards the Site G development programme be reallocated to the Payment in Lieu (unallocated) Scheme for Housing (£2,640k increase in 2017/18)

On 7th November 2017, the Executive approved a report relating to Opportunity Site G Development Programme. At this stage of the development only £360k of the existing Section 106 monies are able to be used because of the precise conditions contained within the agreement. As the development nears implementation of affordable housing provision, there may be potential to draw down and allocate some of this funding at this stage. It is also anticipated that there may be future Section 106 Payment in Lieu monies that can be applied to contribute towards the provisions of affordable housing on the site. The £2,640k balance of Section 106 monies currently set aside towards Site G development programme has been reallocated to the Payment in Lieu (unallocated) scheme for Housing, subject to a future report to Members on how this funding may be utilised.

3.3 Section 106 receipts from developers (uncommitted balance) – (nil net effect 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. The approved S106 budgets for the Care Services Capital Programme 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 Nov 2017)	2,891	0	2,891
Housing Total	7,183	1,626	5,557

3.4 Schemes re-phased from 2017/18 into future years

There were no re-phasings carried out during the 2nd quarter monitoring exercise. This quarterly report will monitor the future position and will highlight any schemes where rephasing is required.

Progress on works at Star Lane

- 3.5 The work is to replace much of the water supply to meet minimum regulatory standards. The project was assigned to Amey to implement and project manage. The final specification for works was completed during 2nd quarter 2017/18. Work has now commenced for the trenching on site and this is due to completed early in the New Year. Internal pipework is currently being tendered with an anticipated onsite start for March 2018. The completion date is anticipated at end of 1st quarter 2018/19.

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. 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 6th December 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)	Capital Programme Monitoring – 2 nd quarter report (Executive 06/12/17) Opportunity Site G Development Programme (Executive 07/11/17)