

Decision Maker: RENEWAL, RECREATION & HOUSING PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Renewal, Recreation & Housing PDS Committee on 18th September 2018

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2018/19

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Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 11th July 2018, the Executive received a report summarising the current position on capital expenditure and receipts following the 1st quarter of 2018/19 and agreed a revised Capital Programme for the four year period 2018/19 to 2021/22. This report highlights changes agreed by the Executive in respect of the Capital Programme for the Renewal, Recreation & Housing Portfolio. The revised programme for this portfolio is set out in Appendix A, and detailed comments on individual schemes are shown in Appendix B, and details of the 2017/18 outturn position are included in Appendix C.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and confirm the changes agreed by the Executive on 11th July 2018.

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".
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Total decrease of £37k over the four years 2018/19 to 2021/22, due to the completion of two schemes under budget.
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £41.1m for the Renewal, Recreation & Housing Portfolio over the four years 2018/19 to 2021/22
 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: Not 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 11th July 2018

3.1 A revised Capital Programme was approved by the Executive on 11th July 2018, following a detailed monitoring exercise carried out after the 1st quarter of 2018/19. The base position is the programme approved by the Executive on 7th February 2018, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Renewal, Recreation & Housing Portfolio Programme are itemised in the table below and further details are included in paragraph 3.2. The revised Programme for the Renewal, Recreation & Housing Portfolio is attached as Appendix A whilst Appendix B shows actual spend against budget in the first quarter of 2018/19, together with detailed comments on individual scheme progress. Appendix C included details of the final outturn in 2017/18.

	2018/19	2019/20	2020/21	2021/22	TOTAL
	£'000	£'000	£'000	£'000	2018/19 to 2021/22 £'000
Programme approved by Executive 07/02/18	16,123	8,531	14,104	10	38,768
Rephasing from 2017/18 to 2018/19 (Para 3.2)	804	0	0	0	804
Disabled Facilities Grant (DFG) - Increase in allocation (Para 3.3)	178				178
Biggin Hill Memorial Museum - additional funds approved (Para 3.4)	116				116
Norman Park Athletics Track - new scheme (Para 3.5)	300				300
West Wickham Leisure Centre & Library Development - (Para 3.6)	993				993
Approved Programme prior to 1st Quarter monitoring	18,514	8,531	14,104	10	41,159
<u>Variations approved by Executive 11/07/18</u>					
Penge Anerley Libraries - 46 Green Lane (Para 3.7)	Cr 1				Cr 1
Anerley Town Hall Library Provision (Para 3.8)	Cr 36				Cr 36
Total amendments to the Capital Programme	Cr 37	0	0	0	Cr 37
Total Revised Renewal, Recreation & Housing Programme	18,477	8,531	14,104	10	41,122

3.2 Net underspend in 2017/18 rephased into 2018/19

The 2017/18 Capital Outturn was reported to the Executive on 11th July 2018. The final capital outturn for the year for Renewal, Recreation and Housing Portfolio schemes was £7,716k compared to a revised budget of £8,530k approved by the Executive in February; an underspend of £814k. This is mainly due to slippage of £395k on the Bromley MyTime Investment Fund, £414k slippage on various Housing schemes and £121k slippage on schemes including Bromley North Village Public Realm Improvements, Penge Town Centre, Crystal Palace Park AMO and Chipperfield Road Development scheme. Details of the 2017/18 outturn for this Portfolio are set out in Appendix C.

3.3 Disabled Facilities Grant (£178k increase in 2018/19)

As reported to the Executive on 21st May 2018, DCLG approved additional funding provided for Disabled Facilities Grant (DFG) In the Autumn Budget on the 22nd November 2017. The Council received the additional allocation in January 2018.

3.4 Biggin Hill Memorial Museum – (£116k increase in 2018/19)

As reported to the Executive on 21st May 2018, it was agreed that the addition of £116k to the Biggin Hill Memorial Museum scheme in 2018/19 would be made via a revenue contribution to capital of £54k for foundation works at Biggin Hill Memorial Museum, and external contribution

of £62k that had been secured for conservation works on the railings at St. George's Chapel of Remembrance.

3.5 Norman Park Athletics Track – (£300k new scheme addition in 2018/19)

At its meeting on 28th March 2018, the Executive approve that £300k Section 106 receipts from developers in respect of the Kent County Cricket Club development be used to fund a new scheme for landlord improvement works required at Norman Park.

3.6 West Wickham Leisure Centre & Library Development (£993k new scheme addition in 2018/19)

At its meeting on 28th March 2018, the Executive approved the addition of a scheme to the Capital Programme relating to the development of the West Wickham Leisure Centre and Library, with a budget of £993k, funded from the Central Contingency. £913k is earmarked for Consultancy and Survey Fees and £80k to market the scheme and appointing a developer.

3.7 Penge Anerley Libraries (46 Green Lane) (reduction of £1k 2018/19)

On 6th Feb 2013 the Executive agreed the scheme for the provision of a combined Penge and Anerley library with an estimated cost of £669k. Final accounts for the scheme have now been agreed at £668k, and the £1k balance removed.

3.8 Anerley Town Hall Library Provision (reduction of £36k in 2018/19)

This scheme was approved in July 2014 and has now completed £36k under budget.

3.9 **Post-Completion Reports**

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 prior 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. Post-completion reports on the following schemes are currently due for the Renewal, Recreation & Housing Portfolio before the end of the 2018/19 monitoring cycle:

- Penge Anerley Libraries – 46 Green Lane
- Anerley Town Hall – Library Provision

This quarterly report will monitor the future position and will highlight any further reports required.

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.

4. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 11th July 2018. Changes agreed by the Executive for the Renewal, Recreation & Housing 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 Qtr 3 2017/18 & Annual Capital Review 2018-2022 (Executive 07/02/18) Capital Programme Monitoring Qtr 1 2018/19 (Executive 11/07/18) Capital Programme Outturn 2017/18 report (Executive 21/05/18)