

**Decision Maker:** PORTFOLIO HOLDER FOR ADULT CARE & HEALTH

**Date:** For pre-decision scrutiny by the Adult Care & Health Policy Development & Scrutiny Committee on 7<sup>th</sup> March 2019

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

**Title:** CAPITAL PROGRAMME MONITORING - 3<sup>RD</sup> QUARTER 2018/19 & CAPITAL STRATEGY 2019 TO 2023

**Contact Officer:** Jo-Anne Chang-Rogers, Principal Accountant  
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**Chief Officer:** Director of Finance

**Ward:** All

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1. Reason for report

On 13<sup>th</sup> February 2019, the Executive received a report summarising the current position on capital expenditure and receipts following the 3<sup>rd</sup> quarter of 2018/19, 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 2018/19 to 2022/23. This report highlights changes agreed by the Executive in respect of the Capital Programme for the Adult Care & Health Portfolio. The revised programme for this portfolio is set out in Appendix A and detailed comments on individual schemes are shown in Appendix B. The new schemes approved for this portfolio are set out in paragraph 3.4.

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2. **RECOMMENDATION**

**The Portfolio Holder is asked to note and confirm the changes put forward for approval to the Executive on 13<sup>th</sup> February 2019.**

## 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: Not Applicable
  2. Ongoing costs: Not Applicable
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £3.95m for the Adult Care & Health Portfolio over the five years 2018/19 to 2022/23
  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 13<sup>th</sup> February 2019

3.1 A revised Capital Programme has been submitted for approval to the Executive on 13<sup>th</sup> February 2019, following a detailed monitoring exercise carried out after the 3<sup>rd</sup> quarter of 2018/19. The base position is the programme approved by the Executive on 28<sup>th</sup> November 2018, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Adult Care & Health Portfolio Programme are itemised in the table below and further details are included in paragraph 3.2. The revised Programme for the Portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget in 2018/19, together with detailed comments on individual scheme progress.

	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL 2018/19 to 2022/23
	£'000	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 28/11/18	830	862	970	1,280	0	3,942
<b>Variations approved by Executive 13/02/19</b>						
Rephasing of schemes between 2018/19 and 2019/20	Cr 554	554	0	0	0	0
New Schemes (para 3.4)	0	0	0	0	10	10
<b>Total Revised Adult Care &amp; Health Programme</b>	<b>276</b>	<b>1,416</b>	<b>970</b>	<b>1,280</b>	<b>10</b>	<b>3,952</b>

#### 3.2 Schemes re-phased between 2018/19 and 2019/20

As part of the 3<sup>rd</sup> quarter monitoring exercise, a total of £554k has been rephased between 2018/19 and 2019/20 to reflect revised estimates of when expenditure is likely to be incurred. This is primarily due to schemes currently going through design and development before being delivered in 2019/20. Scheme rephasings are itemised in the table below and comments on scheme progress are provided in Appendix B.

Capital Expenditure - Rephasing in Q3 Monitoring		2018/19 £'000	2019/20 £'000	TOTAL £'000
PCT LD Reprovision Programme	Cr	574	574	0
Social Care Case Management System		20 Cr	20	0
<b>Total Adult, Caren and Health Portfolio rephasing</b>	<b>Cr</b>	<b>554</b>	<b>554</b>	<b>0</b>

#### Annual Capital Review – new scheme proposals

3.3 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 £45.7m (including unapplied capital receipts) as at 31st March 2018. 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.

3.4 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. Apart from the regular annual capital bid for Feasibility Studies, no bids for new schemes were received for the Adult Care & Health Portfolio. The 2022/23 annual

provision for feasibility studies (£10k) was approved and has been added to the Capital Programme.

### **Post-Completion Reports**

- 3.5 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 Adult Care & Health 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 13<sup>th</sup> February 2019. Changes agreed by the Executive for the Adult Care & Health Portfolio Capital Programme are set out in the table in paragraph 3.1.

<b>Non-Applicable Sections:</b>	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring Qtr 2 2018/19 (Executive 28/11/18) Capital Programme Monitoring Qtr 3 2018/19 (Executive 13/02/19)