

**Decision Maker:** PORTFOLIO HOLDER FOR CHILDREN, EDUCATION, AND FAMILIES

**Date:** For Pre-Decision Scrutiny by the Children, Education, & Families PDS Committee on 10<sup>th</sup> March 2020  
Non-Urgent Executive Non-Key

**Title:** CAPITAL PROGRAMME MONITORING - 3<sup>RD</sup> QUARTER 2019/20 & CAPITAL STRATEGY 2020 TO 2024

**Contact Officer:** Katherine Ball, Principal Accountant  
Tel: 020 8313 4792 E-mail: Katherine.Ball@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** All

---

1. Reason for report

On 12<sup>th</sup> February 2020, the Executive received a report summarising the current position on capital expenditure and receipts following the 3<sup>rd</sup> quarter of 2019/20, 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 2019/20 to 2023/24. This report highlights changes agreed by the Executive in respect of the Capital Programme for the Children, Education & Families 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 the new schemes approved for this Portfolio are set out in paragraphs 3.4 to 3.8, subject to agreement at Full Council on 24<sup>th</sup> February 2020.

---

2. **RECOMMENDATION(S)**

**The Portfolio Holder is asked to note and confirm the changes agreed by the Executive on 12<sup>th</sup> February 2020.**

## Impact on Vulnerable Adults and Children:

1. Summary of Impact:

---

### 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

---

### Financial

1. Cost of proposal: Total increase of £1.6m over the five years 2019/20 to 2023/24, mainly due to the approval and addition of new capital schemes for Children's & Contact Centres
2. Ongoing costs: Not Applicable
3. Budget head/performance centre: Capital Programme
4. Total current budget for this head: £24.6m for the Children, Education and Families Portfolio over the five years 2019/20 to 2023/24
5. Source of funding: Capital grants, capital receipts, S106 and earmarked revenue contributions.

---

### Personnel:

1. Number of staff (current and additional): 1 fte
2. If from existing staff resources, number of staff hours: 36 hours per week

---

### Legal

1. Legal Requirement: Non-Statutory - Government Guidance
2. Call-in: Applicable

---

### Procurement:

1. Summary of Procurement Implications:

---

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A

---

### 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 12<sup>th</sup> February 2020

3.1 A revised Capital Programme was approved by the Executive on 12<sup>th</sup> February 2020, following a detailed monitoring exercise carried out after the 3<sup>rd</sup> quarter of 2019/20. The base position is the programme approved by the Executive on 27<sup>th</sup> November 2019, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Children, Education & Families Portfolio Programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.8. The revised Programme for the Portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget in 2019/20, together with detailed comments on individual scheme progress.

	2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL 2019/20 to 2023/24
	£'000	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 27/11/19	14,936	8,078	10	10	0	23,034
<u>Variations approved by Executive 12/02/20</u>						
s106 Education (see para 3.2)	0	232	0	0	0	232
Rephasing from 2019/20 into 2020/21 (see para 3.3)	Cr 4,591	4,591	0	0	0	0
New Schemes - subject to further approvals (see paras 3.6 & 3.7)	0	760	390	180	0	1,330
New Scheme - agreed (see para 3.8)	0	0	0	0	10	10
Total amendments to the Capital Programme	Cr 4,591	5,583	390	180	10	1,572
<b>Revised Children, Education &amp; Families Programme</b>	<b>10,345</b>	<b>13,661</b>	<b>400</b>	<b>190</b>	<b>10</b>	<b>24,606</b>

#### 3.2 Section 106 receipts (net increase of £232k in 2020/21)

In February 2020 the Executive agreed an increase of £232k in the Capital Programme budget for Education s106 in respect of additional receipts received since the last report.

#### 3.3 Schemes re-phased from 2019/20 into 2020/21:

As part of the 3<sup>rd</sup> quarter monitoring exercise, a total of £4,591k has been re-phased from 2019/20 into 2020/21 to reflect revised estimates of when expenditure is likely to be incurred. This is itemised in the table below and comments on scheme progress are provided in Appendix B. This has no overall impact on the total approved estimate for the capital programme.

<b>Capital Expenditure - Rephasing in Q3 Monitoring</b>	<b>2019/20</b>	<b>2020/21</b>	<b>TOTAL</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Basic Need	Cr 3,500	3,500	<b>0</b>
Glebe School Expansion	Cr 348	348	<b>0</b>
Healthy Pupil Capital Fund	Cr 29	29	<b>0</b>
Seed Challenge Fund	Cr 184	184	<b>0</b>
Security Works	Cr 89	89	<b>0</b>
Feasibility Studies	Cr 20	20	<b>0</b>
S106 - Education (unallocated)	Cr 400	400	<b>0</b>
Youth Centres - Capital improvements	Cr 3	3	<b>0</b>
Mobile Technology to support children's social workers	Cr 18	18	<b>0</b>
<b>Total Children, Education &amp; Families re-phasing</b>	<b>Cr 4,591</b>	<b>4,591</b>	<b>0</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 £49.3m (including unapplied capital receipts) as at 31st March 2019. 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. Apart from the regular annual capital bid for Feasibility Studies, two bids were received for the Children, Education & Families Portfolio – these are summarised in paragraphs 3.6 and 3.7.

#### 3.6 Future Proofing the Local Authority's Children's Centres - £1,170k

This capital estimate will cover works to five of the six Children and Family Centres (Bleinheim, Cotmandene, Community Vision, Castlecombe & Biggin Hill) and will encompass internal building works, for example the re-configuration of the existing internal spaces in order to improve the space and increase the capacity, as well as works to improve and add to the external play areas. No external funding has been identified for this programme and therefore the Council's own resources will need to be used to finance the scheme. The provisional sum of £1,170k has been set aside in the capital programme for planning purposes, however the release of these monies will be subject to a future report to the Executive for approval of the final scheme.

#### 3.7 Refurbishment of Orpington (Saxon) Family Contact Centre - £160k

This capital estimate will cover works to improve the current layout of the Saxon Family Contact Centre to make it Disability Discrimination Act (DDA) compliant. In addition to the DDA requirement, Bromley's aim is to become accredited under the National Association of Child Contact Centres scheme (NACCC). To enable Bromley to 'sell' this service, which will generate income to off-set a proportion of the cost of delivering the service to our own families, a planned programme of refurbishment work needs to be undertaken. No external funding has been identified for this programme, and therefore the Council's own resources will need to be used to finance the scheme. At its meeting on 12<sup>th</sup> February 2020 the Executive requested a report on the Saxon Centre Children Centre before any monies are released to fund works.

3.8 The 2023/24 annual provision for feasibility studies (£10k) was approved and has been added to the Capital Programme.

### **Post-Completion Reports**

3.9 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 Children, Education and Families Portfolio:

- Langley Park Boys School (BSF)
- The Highway Primary
- Beacon House Refurbishment
- Suitability/ Modernisation Issues in Schools
- Universal Free School Meals

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 12<sup>th</sup> February 2020. Changes agreed by the Executive for the Children, Education & Families 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 2019/20 (Executive 27/11/19) Capital Programme Monitoring Qtr 3 2019/20 (Executive 12/02/20)