

Decision Maker: PORTFOLIO HOLDER FOR ADULT CARE & HEALTH

Date: For pre-decision scrutiny by the Adult Care & Health Policy Development & Scrutiny Committee on 24th March 2020

Decision Type: Non-Urgent Executive Non-Key

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

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Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 12th February 2020, the Executive received a report summarising the current position on capital expenditure and receipts following the 3rd 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 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 and the new scheme approved for this Portfolio is set out in paragraph 3.5.

2. **RECOMMENDATION**

The Portfolio Holder is asked to note and confirm the changes agreed by the Executive on 12th 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 £9k over the five years 2019/20 to 2023/24, mainly due to the additional budget approved for feasibility studies.
2. Ongoing costs: Not Applicable
3. Budget head/performance centre: Capital Programme
4. Total current budget for this head: £3.8m for the Adult Care & Health Portfolio over the five years 2019/20 to 2023/24
5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions

Personnel

1. Number of staff (current and additional): 1fte
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 12th February 2020

- 3.1 A revised Capital Programme was approved by the Executive on 12th February 2020, following a detailed monitoring exercise carried out after the 3rd quarter of 2019/20. The base position is the programme approved by the Executive on 27th November 2019, 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 paragraphs 3.2 and 3.3. 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	250	2,210	1,280	10	0	3,750
<u>Variations approved by Executive 12/02/20</u>						
Manorfield - Temporary Accommodation - remove from programme (para 3.2)	Cr 1	0	0	0	0	Cr 1
Rephasing of schemes between 2019/20 and 2020/21 (para 3.3)	Cr 124	124	0	0	0	0
New Schemes (para 3.4)	0	0	0	0	10	10
Total Revised Adult Care & Health Programme	125	2,334	1,280	10	10	3,759

- 3.2 Manorfield Temporary Accommodation: remove from the capital programme (decrease of £1k in 2019/20)

On 12th February 2020 Members agreed to delete this scheme from the capital programme as it has now completed. The remaining budget of £1k in 2019/20 has been removed.

- 3.3 Schemes re-phased between 2019/20 and 2020/21

As part of the 3rd quarter monitoring exercise, a total of £124k has been re-phased between 2019/20 and 2020/21 to reflect revised estimates of when expenditure is likely to be incurred. Scheme re-phasings are itemised in the table below and comments on scheme progress are provided in Appendix B.

Capital Expenditure - Re-phasing in Q3 Monitoring		2019/20	2020/21	TOTAL
		£'000	£'000	£'000
Social Care Case Management System	Cr	100	100	0
PCT Learning Disability re-provision programme - Walpole Road	Cr	24	24	0
Total Adult, Care and Health Portfolio re-phasing	Cr	124	124	0

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, no bids for new schemes were received for the Adult Care & Health Portfolio. The 2023/24 annual provision for feasibility studies (£10k) was approved and has been added to the Capital Programme.

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. Post completion reports on the following schemes are currently due for the Adult Care & Health Portfolio:

- Care Homes – improvements to environment for older people
- Manorfield – Temporary Accommodation
- Social Care grant

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 12th February 2020. Changes agreed by the Executive for the Adult Care & Health 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 2 2019/20 (Executive 27/11/19) Capital Programme Monitoring Qtr 3 2019/20 (Executive 12/02/20)