

Report No. London Borough of Bromley
FSD2063

PART ONE - PUBLIC

Decision Maker: RENEWAL, RECREATION & HOUSING PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Renewal, Recreation & Housing PDS Committee on 2nd September 2020

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 1ST QUARTER 2020/21

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 8th July 2020, the Leader received a report summarising the current position on capital expenditure and receipts following the 1st quarter of 2020/21 and agreed a revised Capital Programme for the four year period 2020/21 to 2023/24. This report highlights changes agreed by the Executive and the Leader 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 2019/20 outturn position are included in Appendix C.

2. **RECOMMENDATION(S)**

The Portfolio Holder is asked to note and confirm the changes agreed by the Leader on 8th July 2020.

Impact on Vulnerable Adults and Children:

1. Summary of Impact:
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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. Ongoing costs: Not Applicable
 2. Budget head/performance centre: Capital Programme
 3. Total current budget for this head: £54.9m for the Renewal, Recreation & Housing Portfolio over the four years 2020/21 to 2023/24
 4. Source of funding: Capital grants, capital receipts, S106 and earmarked revenue contributions
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Personnel

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: Applicable
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Procurement:

1. Summary of Procurement Implications:
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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 Leader on 8th July 2020

3.1 A revised Capital Programme was approved by the Leader on 8th July, following a detailed monitoring exercise carried out after the 1st quarter of 2020/21. The base position is the programme approved by the Executive on February 12th 2020, 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 to 3.3. The revised Programme for the Renewal, Recreation & Housing Portfolio is attached as Appendix A whilst Appendix B shows actual spending against budget in the first quarter of 2020/21, together with detailed comments on individual scheme progress. Appendix C includes details of the final outturn in 2019/20.

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	TOTAL 2020/21 to 2023/24 £'000
Programme approved by Executive 12/02/20	29,574	9,950	12,010	10	51,544
Net underspend Re-phased into 2020/21 (para 3.2)	879				879
Bromley High Street (Leader 27/05/20)	800				800
Disabled Facilities Grant (Leader 27/05/20)	2,153				2,153
Approved Programme prior to 1st Quarter monitoring*	32,926	9,950	12,010	10	54,896
<u>Variations approved by Leader 08/07/20</u>					
Re-Phasings (Para 3.4)	Cr 12,195	12,195			0
Total amendments to the Capital Programme	Cr 12,195	12,195	0	0	0
Total Revised Renewal, Recreation & Housing Programme	20,731	22,145	12,010	10	54,896

* Revised 2020/21 budget includes a net adjustment to reduce the s106 unallocated housing receipts by £480k (£500k to reflect the part-funding of the Burnt Ash Lane housing scheme, and an increase of £20k to reflect

3.2 Net underspend in 2019/20 re-phased into 2020/21

The 2019/20 Capital Outturn was reported to the Executive on 27th May 2020. The final capital outturn for the year for the Renewal, Recreation & Housing Portfolio schemes was £6,282k against a budget of £7,161k. There was a net underspend of £879k on the capital schemes in the Renewal, Recreation & Housing Portfolio mainly due to slippage on the West Wickham Leisure Centre scheme, and slippage on the Modular Housing scheme due to programme changes, partly offset by accelerated expenditure on a few other schemes. Details of the 2019/20 outturn for this Portfolio are set out in Appendix C.

3.3 Schemes re-phased from 2020/21 to 2021/22

As part of the 1st quarter monitoring exercise, a total of £12,195k has been re-phased from 2020/21 into 2021/22 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.

Capital Expenditure - Rephasing in Q1 Monitoring		2020/21	2021/22
Bromley High Street Improvements- Growth Fund	Cr	800	800
Renovation Grants - Disabled Facilities	Cr	2,582	2,582
Site G	Cr	5,994	5,994
Walnut Leisure Centre	Cr	464	464
Crystal Palace Park Subway	Cr	2,355	2,355
Total Renewal, Recreation and Housing Portfolio rephasing	Cr	12,195	12,195

Post-Completion Reports

- 3.4 Under approved Capital Programme procedures, capital schemes are 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. There are no post-completion reports currently due for the Renewal, Recreation & Housing Portfolio.

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 Leader on 8th July 2020. Changes agreed by the Executive and Leader 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.1 2020/21 (Leader 08/07/20) Capital Outturn report (Executive 27/05/20) Capital Programme Monitoring Qtr.3 2019/20 (Executive 12/02/20)