

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

Date: For Pre-Decision Scrutiny by the Children, Education and Families Budget Sub-Committee on 19 January 2023

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTERS 2 AND 3 2022/23

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Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1 On 18 January 2023, the Executive will receive a report summarising the current position on capital expenditure and receipts following the third quarter of 2022/23 and be asked to agree a revised capital programme for the period 2022/23 to 2026/27. This report highlights changes to be put to the Executive and the Leader in respect of the capital programme for the Children, Education and Families Portfolio and also includes memorandum details of changes agreed in the report, received by Executive on 30 November 2022, covering capital expenditure and receipts in the second quarter. The revised programme for this portfolio is set out in Appendix A and detailed comments on individual schemes are shown in Appendix B.
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2. RECOMMENDATION(S)

- 2.1 The Portfolio Holder is asked to note and acknowledge the changes to be put to the Executive on 18 January 2023.

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".
 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: £27.7m for the Children, Education and Families Portfolio over the period 2022/23 to 2026/27
 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: Portfolio Holder decision.
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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 to be put to the Executive on 18 January 2023

3.1 A revised capital programme will be put to the Executive on 18 January 2023, following a detailed monitoring exercise carried out after the third quarter of 2022/23 (up to end November 2022). The base position is the programme approved by the Executive on 9 February 2022, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Children, Education and Families Portfolio programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.5. The revised programme for the Children, Education and Families Portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget up to the end of the third quarter (November) of 2022/23, together with detailed comments on individual scheme progress.

	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 09/02/22	8,994	10	10			9,014
Net underspend 21/22 rephased to 22/23	9,203					9,203
Net of changes approved in Q1 monitoring	5,018	4,308	0	0	0	9,326
Approved programme prior to Q2 monitoring	23,215	4,318	10	0	0	27,543
<i>Changes agreed as part of Q2 monitoring</i>						
Previously approved s106 funding reflected in s106 unallocated	-2,538	0	0	0	0	-2,538
Previously approved s106 funding reflected in Basic Need	2,538	0	0	0	0	2,538
Approved programme prior to Q3 monitoring	23,215	4,318	10	0	0	27,543
<i>Variations requiring the approval of Executive:</i>						
Addition to DFC for energy efficiency grant	121					121
<i>Variations not requiring the approval of Executive:</i>						
Non-material adjustment to DFC	1					1
Changes to be put to the Executive 18/01/23	122	0	0	0	0	122
Revised Children Education and Families programme	23,338	4,318	10	0	0	27,665

3.2 Changes agreed as part of Q2 monitoring

The only change specifically relating to the Children, Education and Families portfolio that was taken to Executive in the second quarter was an updating of budgets, to reflect £2,538k of unallocated s106 funding for education moving to the Basic Need budget line. This change had been agreed at previous meetings of the Executive, but not reflected in the monitoring sheet.

3.3 Variations requiring approval by the Executive (£121k total net increase)

3.3.1 New grant funding for energy efficiency in schools (£121k)

The government has recently announced a total of £447m additional capital funding in schools for 2022/23 to improve energy efficiency. This funding is to be added to the Devolved Formula Capital allocation and Bromley will receive £121k (schools in Bromley will receive a total of £2,425k, but the majority of this money is passported directly to academies and so will not increase Bromley's capital programme.)

3.4 Schemes re-phased between 2022/23 and future years

As part of the Q2 and Q3 monitoring exercises, no budgets have been re-phased between 2022/23 and future years to reflect revised estimates of when expenditure is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme. Comments on scheme progress are provided in Appendix B.

3.5 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 due to be submitted to the CEF PDS committee and the relevant budget holders have been notified directly:

- Early Education for Two-Year-Olds
- 30 Hour Funded Childcare IT Solution
- Performance Management/Children's Services IT scheme

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 will be reported in full to the Executive on 18 January 2023. Changes to be put to the Executive for the Children Education and Families, 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 Q3 2022/23 (Executive 18/01/2023) Capital programme monitoring Q3 2021/22 (Executive 09/02/22)