

Decision Maker: PORTFOLIO HOLDER FOR RENEWAL, RECREATION AND HOUSING

Date: For pre-decision scrutiny by the Renewal, Recreation and Housing Policy Development & Scrutiny Committee on 23 January 2023

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTER 3 2022/23

Contact Officer: Sean Cosgrove, Principal Accountant
Tel: 020 8313 4792 E-mail: sean.cosgrove@bromley.gov.uk

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 five-year 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 Renewal, Recreation and 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.
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2. RECOMMENDATION

- 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". 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. Ongoing costs: Not Applicable
2. Budget head/performance centre: capital programme
3. Total current budget for this head: £93,624k for the Renewal, Recreation and Housing Portfolio over the five years 2022/23 to 2026/27
4. 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: Portfolio Holder decision.

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 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 (up to end November) of 2022/23. The base position is the programme approved by the Executive on 30 November 2022. All changes to schemes in the Renewal, Recreation and Housing portfolio programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.3. The revised programme for the Renewal, Recreation and Housing portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget as at the third quarter 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 | 29,024 | 4,851 | 1,010 | 0 | 0 | 34,885 |
| Net underspend 21/22 rephased to 22/23 | 24,239 | | | | | 24,239 |
| Net changes agreed in Q1 monitoring | -427 | 6,600 | 1,226 | | | 7,399 |
| Net changes agreed in Q2 monitoring | 0 | 0 | 0 | 0 | 0 | 0 |
| Approved programme prior to Q3 monitoring | 52,836 | 11,451 | 2,236 | 0 | 0 | 66,524 |
| <i>Net rephasing from 22/23 to future years (para 3.2)</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| <i>Other variations not requiring the approval of Executive:</i> | 0 | 0 | 0 | 0 | 0 | 0 |
| S/T - changes not requiring approval | 0 | 0 | 0 | 0 | 0 | 0 |
| New scheme: Leisure centres group 2 (para 3.4) | 200 | 950 | 8,650 | 8,650 | 8,650 | 27,100 |
| S/T - changes requiring approval | 200 | 950 | 8,650 | 8,650 | 8,650 | 27,100 |
| Revised RRH programme | 53,036 | 12,401 | 10,886 | 8,650 | 8,650 | 93,624 |

3.2 Schemes re-phased between 2022/23 and future financial years

As part of the third quarter monitoring exercise, no budgets have been re-phased between 2022/23 and future years to reflect revised estimates of when expenditure is likely to be incurred. Comments on scheme progress are provided in Appendix B.

3.3 Additions to the programme previously approved by the Executive

There have been no additions to the programme during this monitoring cycle.

3.4 additions to the programme still to be approved by the Executive (£27,100k net increase)

3.4.1 Leisure centres - group 2 (£27,100k net increase)

This concerns the requirement for the urgent refurbishment (including heating, filtration and ventilation) of West Wickham and Walnuts Leisure Centres.

3.5 UK Shared Prosperity Fund

A report to Executive on 30 November 2022 set out how Bromley would benefit from the new UK Shared Prosperity Fund (UKSPF) which supersedes the EU Structural and Investment Funds (ESIF). Bromley has been allocated, in principle, £2.39m, of which it can determine £1.63m. £1.23m, for “community and place”, is to be used to help fund the existing project for the library at West Wickham. The effect of this will be to reduce pressure on Council resources, which can therefore be used to fund other projects.

3.6 Post-completion reports

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. The following post completion reports are currently due for the Renewal, Recreation and Housing portfolio and the relevant budget holders have been notified directly:

- Bromley My Time Investment Fund
- Relocation of Exhibitions - Bromley Museum
- Norman Park Athletics Track

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. There are no changes to be put to the Executive for the Renewal, Recreation and Housing portfolio capital programme.

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|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 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) |