

Decision Maker: ENVIRONMENT AND COMMUNITY SERVICES PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Environment and Community Services PDS Committee on 25 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

1. Reason for report

On 25 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 Environment and Community Services 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.

2. **RECOMMENDATION(S)**

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:
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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
 1. Total current budget for this head: £23.4m for the Environment and Community Services Portfolio over the the period 2022/23 to 2026/27
 3. 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 to be put to the Executive on 25 January 2023

3.1 A revised capital programme will be put to the Executive on 25 January 2023, following a detailed monitoring exercise carried out after the after the third quarter of 2022/23 (up to end November 2022). The base position is the programme approved by the Executive on Executive on 30 November 2022, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Environment and Community Services portfolio programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.4. The revised programme for the Environment and Community Services 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	6,877	5,407	2,426	230	0	14,940
Net underspend 21/22 rephased to 22/23	2,943	0	0	0	0	2,943
Net changes agreed in Q1 monitoring	-83	160	159	0	0	236
Approved programme prior to Q2 monitoring	9,737	5,567	2,585	230	0	18,119
<i>Changes agreed as part of Q2 monitoring (para 3.2.1):</i> Addition to depots project for increased costs	3,000	0	0	0	0	3,000
Approved programme prior to Q3 monitoring	12,737	5,567	2,585	230	0	21,119
<i>Net rephasing from 22/23 to future years (para 3.4)</i>	0	0	0	0	0	0
<i>Other variations not requiring the approval of Executive:</i> LTA tennis renovation fund (para 3.2.2)	231	0	0	0	0	231
S/T - changes not requiring approval by Executive	231	0	0	0	0	231
<i>New additions to the capital programme</i> Kelsey Park lake (para 3.3.1)	0	2,000	0	0	0	2,000
S/T - changes requiring approval by Executive	0	2,000	0	0	0	2,000
Revised Environment and Community Services programme	12,968	7,567	2,585	230	0	23,350

3.2 Additions to the capital programme previously approved by the Executive (£3,231k net increase)

3.2.1 Additions to the depot improvement works budget (£3,000k net increase)

At their meeting of 30 November 2022, as part of Q2 monitoring, Executive approved the addition of £3,000k to the budget for depot improvement works. This expenditure is necessary to meet cost pressures in the borough's depots. A separate report on this matter was presented at the same meeting.

3.2.2 LTA parks tennis renovation fund (£231k net increase)

A report was presented to Executive on 30 November 2022 detailing a grant from the Lawn Tennis Association (LTA) that officers had successfully applied for, to be used in renovating public access tennis courts in several the Council's parks. The grant fully covers the cost of the proposed repairs and so the proposal has no impact on available Council resources.

3.3 Variations requiring approval by the Executive (£2,000k net increase)

3.3.1 Kelsey Park works (£2,000k net increase)

This relates to the dredging of the lake in Kelsey Park which will alleviate the risk of localised and downstream flooding.

3.4 Schemes re-phased between 2022/23 and future financial 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. There are currently no post-completion reports due for the Environment and Community Services 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 will be reported in full to the Executive on 21st September 2022. Changes to be put to the Executive for the Environment and Community Services 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)