

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 6 September 2023

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTER 1 2023/24

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Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1 On 20 September 2023, the Executive will receive a report summarising the current position on capital expenditure and receipts following the first quarter of 2023/24 and be asked to agree a revised capital programme for the five-year period 2023/24 to 2027/28. This report highlights changes to be put to the Executive 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; while Appendix C details the variance between the 2022/23 budget and the outturn position at year end.
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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 20 September 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 "Making Bromley Even Better". 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: £97.7m for the Renewal, Recreation and Housing Portfolio over the five years 2023/24 to 2027/28.
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: Not 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 to be put to the Executive on 20 September 2023

3.1 A revised capital programme will be put to the Executive on 20 September 2023, following a detailed monitoring exercise carried out after the first quarter of 2023/24. The base position is the programme approved by the Executive on 18 January 2023. 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 3.5. 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; and Appendix C shows the outturn position for 2022/23.

	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 18/01/23	12,401	10,886	8,650	8,650	0	40,587
Net underspend 22/23 rephased to 23/24	36,337	0	0	0	0	36,337
Approved programme prior to Q1 monitoring	48,738	10,886	8,650	8,650	0	76,924
<i>Net rephasing from 22/23 to future years (p 3.2)</i>	0	0	0	0	0	0
<i>Changes previously approved by Executive (p 3.3)</i>	4,483	Cr 1,000	0	0	0	4,483
<i>Changes requiring approval by Executive (p 3.4)</i>	2,443	0	0	0	0	2,443
<i>Changes in presentation - OPR - leisure (p 3.5)</i>	167	167	166	0	0	500
<i>Changes in presentation - OPR - libraries (p 3.5)</i>	3,709	3,708	3,708	0	0	11,125
<i>Changes in presentation- OPR – travellers' sites (p 3.5)</i>	1,061	1,061	1,062	0	0	3,184
Revised RRH programme	60,601	14,822	13,586	8,650	0	97,659

3.2 Schemes re-phased between 2023/24 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 Changes to the programme previously approved by the Executive (£3,483k total net increase)

3.3.1 Changing Places Fund (£220k net increase)

In March 2022, the Council was awarded £220k grant funding from the Department of Levelling Up, Housing and Communities to deliver four Changing Places facilities at agreed locations across the borough. The use of funds, with pre-decision scrutiny, was agreed by the Portfolio Holder in October 2022. At their meeting in February 2023, Executive granted formal approval to accept and spend the grant monies in line with parameters of the funding application.

3.3.2 West Wickham library and housing improvements (£3,959k net increase)

At the February 2023 meeting of the Executive, Members approved a supplementary capital estimate for this scheme of £3,959k, to cover construction price inflation since November 2021 when the project was originally added to the Capital Programme, and an increased contingency allowance. The financing was also restructured.

3.3.3 Crystal Palace Park (£304k net increase)

An urgent report was taken to the March 2023 meeting of the Executive, asking for approval to accept a development grant of £304,350 from the National Lottery Heritage Fund to increase the scope of the Crystal Palace Park capital programme. This was subsequently approved

3.3.4 Chislehurst Library redevelopment (£1,000k net decrease)

This scheme has been removed from the capital programme in line with the report to the meeting of the ERC PDS of November 2022.

3.4 Additions to the programme requiring approval by Executive (£2,443k total net increase)

3.4.1 Disabled Facilities Grant (£2,443k net increase)

A total of £2,443k for the Disabled Facilities Grant (DFG) has been received for 2023/24, and therefore approval will be sought to add this to the relevant capital scheme. DFG is provided for the provision of adaptations to disabled people's homes to help them to live as independently and safely as possible. The funding will enable additional schemes to provide physical improvements to clients' home environments and to assist with creating safer and healthier homes and reduce admissions to hospital.

3.5 Changes in presentation re: OPR (£14,809k net change, presentational only)

When the Operational Property Review (OPR) was added to the Council's capital programme in January 2023 it was presented for monitoring purposes as a single overarching project, with a separate budget for leisure centres, which fell within the Renewal, Recreation and Housing portfolio. Subsequent work has now disaggregated this larger budget and it has been decided to reflect projects in the appropriate portfolio. As such, two OPR schemes – travellers' sites and libraries – are now to be monitored in reports to the Renewal, Recreation and Housing portfolio holder. The budgets shown also include an element of the delivery budget, which has been apportioned out across schemes for reporting to the OPR Board; and this has now been added to the original leisure centre budgets. The total change, which is purely presentational and does not represent any extra resources, is £14,809k.

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 20 September 2023. The proposed increase in Disabled Facilities Grant in paragraph 3.4.1 will also be put to the Executive on this date.

Non-applicable sections:	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background documents: (Access via contact officer)	Capital programme monitoring Q4 2022/23 (Executive 05/07/2023) Capital programme monitoring Q3 2022/23 (Executive 18/01/23)