

**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 15 November 2023

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** CAPITAL PROGRAMME MONITORING - QUARTER 2 2023/24

**Contact Officer:** Sean Cosgrove, Principal Accountant  
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**Chief Officer:** Director of Finance

**Ward:** All Wards

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1. Reason for report

- 1.1 On 29 November 2023, the Executive will receive a report summarising the current position on capital expenditure and receipts following the second 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.
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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 29 November 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 "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

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Financial

1. Ongoing costs: Not Applicable
2. Budget head/performance centre: capital programme
3. Total current budget for this head: £141.4m 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

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Personnel

1. Number of staff (current and additional): 1FTE
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: Not 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 29 November 2023

3.1 A revised capital programme will be put to the Executive on 29 November 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.

	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
Net changes agreed in Q1 monitoring (p. 3.2)	Cr7,470	36,206	29,146	6,112	0	63,994
<b>Approved programme prior to Q2 monitoring</b>	<b>41,268</b>	<b>47,092</b>	<b>37,796</b>	<b>14,762</b>	<b>0</b>	<b>140,918</b>
Net rephasing from 22/23 to future years (p 3.3)	Cr7,500	7,500	0	0	0	0
Changes previously approved by Executive (p 3.4)	500	0	0	0	0	500
Changes requiring approval by Executive (p 3.5)	0	0	0	0	0	0
<b>Revised RRH programme</b>	<b>34,268</b>	<b>54,592</b>	<b>37,796</b>	<b>14,762</b>	<b>0</b>	<b>141,418</b>

#### 3.2 Changes in Q1 monitoring – memorandum

During the Q1 capital monitoring exercise, several significant changes affecting the Renewal, Recreation and Housing portfolio took place between the publication of the portfolio-specific report and the publication of the final monitoring report put to the Executive on 20 September 2023. This paragraph, along with the sub-paragraphs that follow, therefore briefly summarises the Q1 changes in full, for the sake of completeness. Further details, including phasing, are to be found in the final report that went to Executive.

- 3.2.1 *Disabled Facilities Grant (£2,656k net increase)*: a total of £2,656k for the Disabled Facilities Grant (DFG) has been received for 2023/24, comprising a main award of £2,443k and a subsequent additional award of £213k. DFG is provided for the provision of adaptations to disabled people's homes to help them to live as independently and safely as possible.
- 3.2.2 *Housing schemes – Bromley North and Beckenham (£40,700k net increase)*: a report on the same agenda as the Q1 capital monitoring report requested approval of supplementary estimates for two new housing schemes at Bromley North (£25,500k) and Beckenham (£15,200k), the costs to be met from a combination of GLA grant, section 106 receipts, the proceeds from private sales (Bromley North) and external borrowing.
- 3.2.3 *Changes in presentation re: OPR (£14,809k net change, presentational only)*: when the Operational Property Review (OPR) was added to the capital programme in January 2023 it was presented as a single overarching project, with a separate budget for leisure centres, which fell within the Renewal, Recreation and Housing portfolio. It has since been decided to reflect projects in the appropriate portfolio and so two schemes – travellers' sites and libraries – are now to be monitored in reports to the Renewal, Recreation and Housing portfolio holder, including an element of the delivery budget, which has been apportioned out across all schemes, including the original leisure centre budgets. The total change, which is purely presentational and does not represent extra resources, is £14,809k.
- 3.2.4 *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, and an increased contingency allowance. The financing was also restructured.

- 3.2.5 *York Rise housing (£2,072k net increase)*: At their meeting of June 2021, the Executive approved a supplementary estimate of £2,072k for the York Rise modular housing scheme. This adjustment had not been reflected in the capital programme and was therefore added.
- 3.2.6 *Chislehurst library (£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
- 3.2.7 *Changing Places Fund (£405k 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. 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. A further £185k was approved in July.
- 3.2.8 *Crystal Palace Park (£304k net increase)*: an urgent report to the March 2023 meeting of the Executive asked for approval to accept a development grant from the National Lottery Heritage Fund to increase the scope of the Crystal Palace Park capital programme. This was subsequently approved.
- 3.2.9 *Digital infrastructure (£49k net increase)*: at the July 2023 meeting of the Executive, a new one-off capital budget, funded from the Council's Growth Fund, for connecting three new CCTV camera sites and one existing dark fibre network extension, was approved.
- 3.2.10 *Non-turf cricket pitches (£40k net increase)*: also at their July 2023 meeting, Executive approved the addition to the capital programme of four non-turf cricket pitches in parks across the borough, funded by a grant from the London Cricket Trust.
- 3.2.11 *Budget rephasing (no net impact)*: in the Q1 monitoring exercise, slippage of £25,800k (from the Disabled Facilities Grant, Next Steps for Crystal Palace Park and the Site G schemes) was re-phased from 2023/24 into future years to reflect the latest estimates of when expenditure is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme.

### 3.3 Schemes rephased between 2023/24 and future years

As part of the second quarter monitoring exercise, a total of £7,500k, made up of £500k for the York Rise modular housing scheme and £7,000k for the West Wickham library and housing development, has been re-phased between 2023/24 and future years to reflect revised estimates of when expenditure is likely to be incurred. Comments on scheme progress are provided in Appendix B.

### 3.4 Changes to the programme previously approved by the Executive (£500k total net increase)

- 3.4.1 *Central Library (£500k net increase)*: at their meeting in October 2023, Executive granted formal approval to add £500k to the capital programme to cover the costs of initiating the move of Bromley Central Library to the Topshop site on Bromley High Street.

### 3.5 Additions to the programme requiring approval by Executive

None this cycle.

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

<b>Non-applicable sections:</b>	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
<b>Background documents:</b> (Access via contact officer)	Capital programme monitoring Q1 2023/24 (Executive 20/09/2023) Capital programme monitoring Q3 2022/23 (Executive 18/01/23)