

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

**Date:** For Pre-Decision Scrutiny by the Children, Education and Families Policy Development and Scrutiny Committee on 22 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 period 2023/24 to 2027/28. This report highlights changes to be put to the Executive in respect of the capital programme for the Children, Education and Families 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(S)**

- 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: N/A
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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: £46.1m for the Children, Education and Families Portfolio over the period 2023/24 to 2027/28
  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: Not Applicable
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Procurement:

1. Summary of procurement implications: N/A
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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 second quarter of 2023/24. The base position is the programme approved by the Executive on 18 January 2023, 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 3.4. 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 second quarter of 2023/24, 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	4,318	10	0	0	0	4,328
Net underspend 22/23 rephased to 23/24	20,301	0	0	0	0	20,301
Net changes agreed in Q1 monitoring	Cr 17,902	10,000	8,000	0	0	98
<b>Approved programme prior to Q2 monitoring</b>	<b>25,737</b>	<b>10,010</b>	<b>8,000</b>	<b>0</b>	<b>0</b>	<b>24,727</b>
<i>Variations not requiring the approval of Executive:</i>						
Net rephasing between 23/24 and future years (para 3.2)	Cr 2,560	2,560	0	0	0	0
Addition of s106 to Basic Need budget (para 3.3)	0	2,280	0	0	0	2,280
Operational Property Review schemes (para 3.4)	265	9,406	9,405	0	0	19,076
<i>Variations requiring the approval of Executive:</i>						
None this cycle	0	0	0	0	0	0
<b>Revised Children Education and Families programme</b>	<b>4,422</b>	<b>24,256</b>	<b>17,405</b>	<b>0</b>	<b>0</b>	<b>46,083</b>

#### 3.2 Schemes re-phased between 2023/24 and future years

As part of the second quarter monitoring exercise, £2,560k has been re-phased from 2023/24 into 2024/25, composed of £1,500k in the capital maintenance for schools programme, £1,000k of Basic Need funding, and £60k for feasibility studies, 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 Executive (£2,280k net increase)

As a result of an detailed reconciliation activity between Finance and service heads, it was identified that a net total of £2,280k of section 106 funding had been added to Basic Need in previous years but had not been properly recorded in the capital monitor. This total is therefore now reflected to the programme. Given the fact that we are halfway through the financial year, and significant rephasing has already taken place, the total is added directly into FY 2024/25.

#### 3.4 Operational Property Review

It was decided during the course of the quarter 1 monitoring exercise to change how the projects comprising the Operational Property Review would be reported. Rather than the whole budget being monitored at Executive level only and nominally contained within the Resources,

Commissioning and Contract Management portfolio, schemes would be reported within the portfolios they related to. As a result, the capital programme for the Children, Education and Families portfolio will increase by a total of £19,076k. This change is presentational only – the Council’s overall capital programme has not changed as a result, and the budgets involved have already received Executive’s approval. A breakdown of the schemes involved has been incorporated into Appendices A and 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 will be notified directly:

- Early education for two-year-olds
- 30 hour funded childcare IT solution
- Performance management/Children’s services IT scheme
- Glebe School expansion

## 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. 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 and detailed in paragraph 3.4.

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