

Decision Maker: ENVIRONMENT AND COMMUNITY SERVICES PORTFOLIO HOLDER

Date: For pre-decision scrutiny by the Environment and Community Services PDS Committee on 13th March 2024

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTER 3 2023/24

Contact Officer: James Mullender, Head of Corporate Finance & Accounting
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Chief Officer: Director of Finance

Ward: All

1. Reason for report

At its meeting on 7th February 2024, the Executive considered a report summarising the current position on capital expenditure and receipts following the third 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 considered by the Executive in respect of the capital programme for the Environment and Community Services portfolio. 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 agreed by the Executive on 7th February 2024.

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: Making Bromley Even Better Priority: To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Ongoing costs: Not Applicable
 2. Budget head/performance centre: capital programme
 1. Total current budget for this head: £21.7m for the Environment and Community Services Portfolio over the period 2023/24 to 2027/28
 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 agreed by the Executive on 7th February 2024

3.1 A revised capital programme was considered by the Executive on 7th February 2024, following a detailed monitoring exercise carried out after the third quarter of 2023/24. The base position is the programme approved by the Executive on 18th January 2023, 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 3.5. The revised programme for the Environment and Community Services Portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget up to the end of the third 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	7,567	2,585	230	0	0	10,382
Net underspend 22/23 rephased to 23/24	10,047	0	0	0	0	10,047
Net changes agreed in Q1 monitoring	Cr 1,700	Cr 225	0	0	0	Cr1,925
Net changes agreed in Q2 monitoring	1,893	0	0	0	0	1,893
Approved programme prior to Q3 monitoring	17,807	2,360	230	0	0	20,397
<i>Variations not requiring the approval of Executive</i>						
Net rephasing from 22/23 to future years (para 3.2)	Cr 11,859	5,656	4,085	225	0	0
Removal of complete schemes (para 3.3)	Cr 126	Cr 10	0	0	0	Cr 136
Reduction in Central Depot Wall Scheme (para 3.4)	Cr 77	0	0	0	0	Cr 77
<i>Variations requiring the approval of Executive</i>						
Kelsey Park Bridge (para 3.5)	133	434	0	0	0	567
Local Highways Maintenance (para 3.5)	455	455	0	0	0	910
Revised Environment Community Services programme	6,333	10,788	4,315	225	0	21,661

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

As part of the second quarter monitoring exercise, a total of £11,859k has been re-phased from 2023/24 into future financial years to reflect revised estimates of when expenditure is likely to be incurred. Comments on scheme progress are provided in Appendix B.

3.3 Removal of various complete schemes (reduction of £136k)

As part of the third quarter monitoring exercise, a review was undertaken of schemes that are now complete and/or no longer required as set out below:

	2023/24 £'000	2024/25 £'000	Total £'000
Feasibility Studies	60	10	70
Betts Park Canal Bank Stabilisation Project	8		8
Orpington Public Realm Improvements	34		34
Street Lighting Invest to Save Initiative	24		24
	126	10	136

3.4 Reduction in existing schemes (reduction of £77k)

The review referred to in paragraph 3.3 above also identified that the Central Depot Wall scheme could be reduced by £77k based on revised estimates of total scheme expenditure.

3.5 Additions to the programme requiring approval by Executive (addition of £1,477k)

A report previously considered by this Committee requested the addition of £567k to the capital programme for the replacement of a footbridge in Kelsey Park, to be funded from the Infrastructure Investment Fund (£412k) and the Healthy Bromley (£155k) earmarked reserves.

The addition of £910k to the capital programme was also requested for the Highways Service, with £455k for 2024/25 and 2025/26. This is being funded by new monies from the DFT for Pothole repairs. The funding has been announced for the coming 10 years to the year 2033/34 with a minimum £14.2m confirmed. Currently only 2024/25 and 2025/26 allocations have been confirmed; future reports will request additions for later years once the subsequent allocations are received.

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. 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 are currently due for the following schemes in the Environment and Community Services portfolio.

- Betts Park Canal Bank Stabilisation Project
- Orpington Public Realm Improvements
- Street Lighting Invest to Save Initiative

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 were reported in full to the Executive on 7th February 2024. Changes considered by 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 Q1 23/24 (Executive 20/09/2023) Capital programme monitoring Q2 23/24 (Executive 29/11/2023) Capital programme monitoring Q3 22/23 (Executive 18/01/2023)