



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 5th March 2015

To: Members of the
EXECUTIVE

Councillor Stephen Carr (Chairman)

Councillors Graham Arthur, Robert Evans, Peter Morgan, Colin Smith, Tim Stevens and Stephen Wells

A meeting of the Executive will be held at Bromley Civic Centre on **TUESDAY**
24 MARCH 2015 AT 7.00 PM

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
<http://cde.bromley.gov.uk/>

A G E N D A

- 1 **APOLOGIES FOR ABSENCE**
- 2 **DECLARATIONS OF INTEREST**
- 3 **TO CONFIRM THE MINUTES OF THE MEETING HELD ON 11TH FEBRUARY 2015**
(Pages 5 - 52)
- 4 **QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING**
In accordance with the Council's Constitution, questions must be received in writing four working days before the date of the meeting. Therefore please ensure that questions are received by the Democratic Services Team by 5pm on Wednesday 18th March 2015.
- 5 **BUDGET MONITORING 2014/15** (Pages 53 - 100)
- 6 **PHASE 2 - DRAW-DOWN OF GOVERNMENT (NEW BURDENS) GRANT FUNDING HELD IN CONTINGENCY TO SUPPORT THE LOCAL AUTHORITY IN IMPLEMENTING THE SPECIAL EDUCATIONAL NEEDS REFORMS**
(Pages 101 - 108)

7 APPROVAL OF PROCUREMENT STRATEGY FOR BASIC NEED PROJECTS

Report to Follow

8 GATEWAY REVIEW 0,1 & 2 APPROVAL OF 2015/2016 EDUCATION BUILDING MAINTENANCE BUDGETS, EDUCATION PLANNED MAINTENANCE PROGRAMME AND PREFERRED PROCUREMENT OPTIONS (Pages 109 - 118)

9 ALLOCATIONS SCHEME REVIEW (Pages 119 - 128)

10 NEW HOMES BONUS AND HIGH STREET FUND ALLOCATIONS (Pages 129 - 134)

11 PASSENGER TRANSPORT CONTRACT (Pages 135 - 142)

12 JOINT PARKING SERVICES CONTRACT GATEWAY REVIEW (Pages 143 - 156)

13 VARIATION TO THE GROUNDS MAINTENANCE CONTRACT TO PROVIDE A WHOLLY MANAGED SERVICE

Report to Follow

14 CRYSTAL PALACE PARK

Report to Follow

15 LAND KNOWN AS BECKENHAM GREEN LOCATED BETWEEN HIGH STREET AND ST GEORGE'S ROAD FOR REGISTRATION AS A TOWN OR VILLAGE GREEN (Pages 157 - 170)

16 COUNCIL MOTION - PETTS WOOD AREA OF SPECIAL RESIDENTIAL CHARACTER (Pages 171 - 174)

17 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

18 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

| <u>Items of Business</u> | <u>Schedule 12A Description</u> |
|--|---|
| 19 EXEMPT MINUTES OF THE MEETING HELD ON 11TH FEBRUARY 2015 (Pages 175 - 180) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 20 SITE G: REVISED DEVELOPMENT OPTIONS (Pages 181 - 222) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 21 CIVIC CENTRE FOR THE FUTURE (Pages 223 - 228) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 22 HOUSING ZONE BID (Pages 229 - 242) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 23 UPDATE ON EDUCATION SERVICES MARKET TESTING (Pages 243 - 246) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 24 AUTHORISATION FOR AWARD OF CONTRACT FOR ALTERNATIVE PROVISION (Pages 247 - 252) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 25 SPECIAL EDUCATIONAL NEED AND CHILDREN'S TRANSPORT CONTRACT AWARD (Pages 253 - 262) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 26 PASSENGER TRANSPORT CONTRACT (Pages 263 - 278) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |
| 27 GATEWAY REVIEW - PROCUREMENT STRATEGY FOR SUPPORTED LIVING LEARNING DISABILITY SCHEMES (Pages 279 - 284) | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

28 LEASE CAR PROCUREMENT (Pages 285 - 290) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXECUTIVE

Minutes of the meeting held on 11 February 2015 starting at 7.00 pm

Present

Councillor Stephen Carr (Chairman)
Councillors Graham Arthur, Robert Evans, Peter Morgan,
Colin Smith, Tim Stevens and Stephen Wells

Also Present

Councillor Nicholas Bennett J.P., Councillor Eric Bosshard,
Councillor Peter Fookes, Councillor William Huntington-
Thresher, Councillor Pauline Tunnicliffe and Councillor
Angela Wilkins

131 APOLOGIES FOR ABSENCE

There were no apologies.

132 DECLARATIONS OF INTEREST

Councillor Peter Morgan declared a personal interest by virtue of his daughter being a Director of Kier Property Services.

Councillors Tim Stevens JP and Nicholas Bennett JP each declared a personal interest as the Council's representatives to Mytime Active, each Member being on the Mytime Active Board of Trustees.

133 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 14TH JANUARY 2015

The minutes were agreed.

134 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

A number of questions were received.

Details of the questions and replies, and process adopted at the meeting for responding to the questions, are at **Appendix A**.

The Leader introduced the item by referring to the unprecedented times currently being experienced in local government. There had been good dialogue in public consultation and difficult decisions on the Council's 2015/16 budget would now need to be made at Full Council on 23rd February 2015.

L B Bromley was receiving less central government funding and huge pressure was now being put on Council budgets. The Council, however, was doing what it could to protect front line services.

135 BUDGET MONITORING 2014-15

Report FSD 15008

Members considered the fourth budget monitoring position for 2014/15 (based on expenditure and activity levels to November 2014).

Members were also asked via a supplementary paper to recommend that Full Council agree to a sum of £4.5m being set aside as an earmarked reserve known as *“the Health and Social Care Integrated Commissioning Fund”*. The fund would ensure the support of key initiatives related to the integration of health and care commissioning. This, and recommendations in Report 15008, were agreed.

The Leader highlighted that this was a crucial time to maintain discipline on budgets.

RESOLVED that:

(a) the latest financial position be noted;

(b) a projected net overspend on services of £872k is forecast based on information as at November 2014;

(c) comments from the Director of Education, Care and Health Services, the Director of Transformation and Regeneration, and the Director of Environment and Community Services, as detailed at sections 3.2, 3.3 and 3.4 of Report FSD 15008 be noted;

(d) funding of £55k be released from Central Contingency for Biggin Hill Development as detailed at paragraph 3.5.4 of Report FSD 15008;

(e) funding of £163k be released from Central Contingency for Deprivation of Liberty Safeguards as detailed at paragraph 3.5.5 of Report FSD 15008;

(f) a projected increase to the General Fund balance by £474k to £20.5m, as detailed at section 3.6 of Report FSD 15008, be noted;

(g) the full year cost pressures of £5.5m be noted as detailed at section 3.7 of Report FSD 15008; and

(h) Full Council be recommended to agree that a sum of £4.5m be set aside as an earmarked reserve known as *“the Health and Social Care Integrated Commissioning Fund”*.

136 2015/16 COUNCIL TAX

FSD15009

Report FSD15009 identified the final issues affecting the 2015/16 revenue budget and sought recommendations to the Council on the level of the Bromley element of the 2015/16 Council Tax. The report also sought final approval of the schools budget. A replacement set of recommendations were tabled for the meeting as was a replacement Appendix 2 ("*Summary of Draft 2015/16 Revenue Budget – Portfolio*") to the report. Additionally, an updated list of savings proposals was provided as were comments from PDS Committees in considering the initial draft budget.

Confirmation of the final GLA precept would be reported to the Council meeting on 23rd February 2015.

Report FSD15009 reflected the Council's approach to not only achieve a legal and financially balanced budget in 2015/16 but to have measures in place to deal with the medium term financial position (2016/17 to 2018/19).

Referring to benefits provided by the KeyRing scheme, Councillor Fookes (Penge and Cator), suggested that long term savings could possibly be made by helping to fund the scheme, perhaps by charging a levy for leaving a property empty. Recognising the scheme was appreciated, the Portfolio Holder for Care Services indicated however that it would not be possible for the Council to provide funds for the scheme in the current financial climate.

The Chief Executive outlined the approach taken to the consideration of savings and priorities in arriving at the draft 2015/16 budget. It was also necessary to consider the financial outlook for the Council for the forthcoming two years. The Leader added that this was the start of a process which would only become more difficult. It was necessary to secure a balanced budget. Should decisions be taken that cause particular difficulties, Members would be prepared to re-consider further and take action as necessary to help rectify the difficulties.

RESOLVED that:

(1) Council be recommended to:

- (a) approve the schools budget of £99.1 million which matches the estimated level of Dedicated Schools Grant (DSG);**
- (b) approve the draft revenue budgets (as at Appendix 2 to Report FSD15009) for 2015/16 to include the following updated changes -**
 - (i) additional core grant funding of £202k in 2015/16**

(ii) reduction in Discretionary Housing payments funding from £683k in 2014/15 to £509k in 2015/16 (variation of £174k), with a corresponding reduction in the Discretionary Housing Payments in the 2015/16 Budget;

- (c) agree that Chief Officers identify alternative savings within their departmental budgets where it is not possible to realise any proposed savings reported to the previous Executive meeting;
- (d) approve the following provisions for levies for inclusion in the budget for 2015/16 -

| | £'000 |
|--|-------|
| London Pension Fund Authority | 475 |
| London Boroughs Grant Committee | 340 |
| Environment Agency (Flood defence etc) | 236 |
| Lee Valley Regional Park | 376 |
| Total | 1,427 |

- (e) approve a revised Central Contingency sum of £13,817k to reflect the changes in (b) and (d);
- (f) approve the revised draft 2015/16 revenue budgets to reflect the changes detailed above;
- (g) set a 1.99% increase in Bromley's council tax for 2015/16, compared with 2014/15, and, based upon their consultation exercise, an assumed 1.34% reduction in the GLA precept;
- (h) note the latest position on the GLA precept, to be finalised in the overall Council Tax figure to be reported to full Council (see section 11 of Report FSD15009);
- (i) approve the approach to reserves outlined by the Director of Finance (see Appendix 4 to Report FSD15009);
- (j) the Director of Finance be authorised to report any further changes directly to Council on 23rd February 2015.

(2) Council Tax 2015/16 – Statutory Calculations and Resolutions (as amended by the Localism Act 2011) -

Subject to (1) (a) to (j) above, if the formal Council Tax Resolution as detailed below is approved, the total Band D Council Tax will be as follows:

| | 2014/15 £ | 2015/16 £ | Increase/decrease (-) % |
|----------------|-----------------|-----------------|----------------------------|
| Bromley | 1,010.07 | 1,030.14 | 1.99 |
| GLA * | 299.00 | 295.00 | -1.34 |
| Total | 1,309.07 | 1,325.14 | 1.23 |

* The GLA Precept may need to be amended once the actual GLA budget is set.

(3) Council be recommended to formally resolve as follows:

- (i) it be noted that the Council Tax Base for 2015/16 is 125,130;**
- (ii) calculate that the Council Tax requirement for the Council's own purposes for 2015/16 is £128,901k;**
- (iii) that the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act) -**
 - (a) £560,346k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act;**
 - (b) £431,445k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;**
 - (c) £128,901k being the amount by which the aggregate at (iii) (a) above exceeds the aggregate at (iii) (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year;**
 - (d) £1,030.14 being the amount at (iii) (c) above, divided by (i) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year;**
- (iv) to note that the Greater London Authority (GLA) has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below (N.B. the GLA precept figure may need to be amended once the actual GLA budget is set);**
- (v) that the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.**

LONDON BOROUGH OF BROMLEY

| Valuation Bands | | | | | | | |
|-----------------|--------|--------|----------|----------|----------|----------|----------|
| A | B | C | D | E | F | G | H |
| £ | £ | £ | £ | £ | £ | £ | £ |
| 686.76 | 801.22 | 915.68 | 1,030.14 | 1,259.06 | 1,487.98 | 1,716.90 | 2,060.28 |

GREATER LONDON AUTHORITY

| Valuation Bands | | | | | | | |
|-----------------|--------|--------|--------|--------|--------|--------|--------|
| A | B | C | D | E | F | G | H |
| £ | £ | £ | £ | £ | £ | £ | £ |
| 196.67 | 229.44 | 262.22 | 295.00 | 360.56 | 426.11 | 491.67 | 590.00 |

AGGREGATE OF COUNCIL TAX REQUIREMENTS

| Valuation Bands | | | | | | | |
|-----------------|----------|----------|----------|----------|----------|---------|----------|
| A | B | C | D | E | F | G | H |
| £ | £ | £ | £ | £ | £ | £ | £ |
| 883.43 | 1,030.66 | 1,177.90 | 1,325.14 | 1,619.62 | 1,914.09 | 2208.57 | 2,650.28 |

(vi) that the Council hereby determines that its relevant basic amount of council tax for the financial year 2015/16, which reflects a 1.99% increase, is not excessive. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2015/16 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2015/16. The Council is required to determine whether its relevant basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.

(4) The Director of Finance be authorised to report any further changes directly to Council on 23rd February 2015.

137 CAPITAL PROGRAMME MONITORING Q3 2014/15 & ANNUAL CAPITAL REVIEW 2015 TO 2019

Report FSD15014

The current position on capital expenditure and receipts was outlined following the third quarter, 2014/15. New schemes were also presented for approval supported by Council Directors in the annual capital review process - the main focus again being a continuation of existing essential programmes and externally funded schemes, with a limited new spending programme (two new schemes) being put forward at this stage.

Supplementary information was also provided for Appendix C to the report, the supplementary information outlining a capital project appraisal for the Windows Server 2003 replacement programme.

Members noted and approved the recommendations in Report FSD15014.

RESOLVED that:

(1) Report FSD15014 be noted, including the re-phasing of a total of £8,377k from 2014/15 into later years (see paragraph 3.3.7 of Report FSD15014), and a revised Capital Programme agreed;

(2) the following amendments to the Capital Programme be approved –

(i) reduction of £112k in respect of schemes having reached completion (see paragraph 3.3.1 of Report FSD15014);

(ii) addition of £663k in 2015/16 for Social Care Grant (see paragraph 3.3.2 of Report FSD15014);

(iii) increase of £101k in 2014/15 to reflect revised grant support from Transport for London for highway schemes (see paragraph 3.3.3 of Report FSD15014);

(iv) addition of £395k in 2015/16 for Relocation of Exhibitions in Bromley Museum (see paragraph 3.3.4 of Report FSD15014);

(v) a net reduction of £6,294k on the Council's Investment Fund scheme to reflect the latest update on property acquisitions (see paragraph 3.3.5 of Report FSD15014);

(vi) transfer (virement) of £113k from the budget for the Reconfiguration of Special Schools to the Basic Need budget (see paragraph 3.3.6 of Report FSD15014);

(vii) addition of £15m to the Council's Investment Fund in the 2016/17 Capital Programme, to be funded by capital receipts (see paragraph 3.12 of Report FSD15014); and

(3) Council be recommended to –

(i) include the new scheme proposals supported by Chief Officers (listed at Appendix C to Report FSD15014) in the Capital Programme (see paragraphs 3.4 and 3.5 of Report FSD15014); and

(ii) approve the addition of £15m to the Council's Investment Fund in the 2016/17 Capital Programme, to be funded by capital receipts (see paragraph 3.12 of Report FSD15014).

138 COMMUNITY SERVICES INTEGRATION

Report CS14075

Recognising the benefits of integrating community health services with L B Bromley social care assessment and care management, Bromley Clinical

Commissioning Group (BCCG) intended to extend their Community Health Services contract until at least March 2017. This presented three options towards an integrated community health and care service:

- (1) working with BCCG on a specification for community services in preparation for jointly procuring a new service from 1st April 2017;
- (2) pursuing (1) above but also looking at 'soft' integration opportunities with Bromley Healthcare to start aligning services ready for re-procurement; and
- (3) pursuing (1) above but also start to test a fully integrated service by formally transferring social care staff to Bromley Health Care as existing community provider.

Authorisation was sought to fully explore the options with Bromley Health Care (BHC) and their commissioners, Bromley Clinical Commissioning Group (BCCG). Recommendations could then be provided to Members in June 2015.

To support the work, a steering group would explore the potential for a joint bid with BCCG and BHC against NHS England's new "*£200m investment fund to promote transformation in local health economies, with a particular focus on investment in the new models of care*". The funding could supply the necessary extra capacity to explore how integration of staff, budgets, and systems would work in detail and how the services could be aligned to provide best value. It would also help in analysing the scope of integration and clarifying risks involved in pursuing any of the options.

The Leader expressed his support for the direction of travel.

RESOLVED that the steering group explore the options at paragraph 3.3 of Report CS14075 with the borough's existing community health services provider, Bromley Health Care (BHC) and their commissioners, Bromley Clinical Commissioning Group (BCCG).

139 DEPRIVATION OF LIBERTY SAFEGUARDS UPDATE

Report CS14107

Report CS14107 analysed the implications of the recent Supreme Court judgement related to Deprivation of Liberty Safeguards and deprivation of liberty of individuals. The report sought approval for additional funding of £163,345 in 2014/15 and £628,040 for 2015/16 to meet requirements of the Supreme Court Judgement.

As there was some uncertainty on the potential funding required for 2015/16, it was recommended that 50% of the £628k (£314k) be drawn-down with the remainder staying in contingency. A further report would be provided in the new financial year when costs had been further clarified.

Members were also asked to note a proposal to procure the provision of assessments by psychiatrists via a framework arrangement of approved providers.

The Deputy Leader asked if it would be possible to communicate to Government the Council's views on having to fund the extra costs from local social care funds. Local authorities across the country would be in a similar position. The Leader advised that he had accepted an invitation to meet a special adviser to the Secretary of State for Health.

RESOLVED that:

(1) to meet the requirements of the Supreme Court Judgement –

- **additional funding of £163,345 for 2014/15 be agreed and**
- **£628,040 be recommended for inclusion in the 2015/16 budget;**

(2) for 2015/16, due to the uncertainty of potential costs, half of the funding should remain in contingency and be subject to a further report in the new financial year; and

(3) the intention to commission the services of doctors, as required, using a framework agreement, in order to fulfil the Council's duties under the Mental Capacity Act 2005, be noted.

140 COMMISSIONING OF SPEECH AND LANGUAGE THERAPY

Report ED15039

Speech and Language Therapy and Occupational Therapy for children and young people were currently commissioned from Bromley Healthcare through two separate contracts let by the Council and the Bromley Clinical Commissioning Group (CCG). In line with the Children and Families Act 2014, it was proposed to develop robust joint commissioning arrangements via a section 75 agreement with Bromley CCG - the CCG being lead commissioner.

The Portfolio Holder for Resources supported joint commissioning but felt that it was necessary to consider bringing CCG commissioning to the Council as joint working arrangements moved forward.

RESOLVED that funding for the commissioning of Speech and Language and Occupation Therapy provision, which had been historically commissioned by the Council, be included in the current Section 75 agreement with Bromley CCG, with lead commission responsibility being passed to Bromley CCG.

**141 LONG TERM CARE FOR OLDER PEOPLE - EXTRA CARE
 HOUSING SUPPLY AND DEMAND**

Report CS1424

For some time there had been a high level of voids within the Council's extra care service, placing further pressure on the adult social care budget. There were 35 voids at the end of December 2014; in 2013/14 voids per week averaged 34 across all seven schemes (between April and August 2014 voids averaged 38 per week). There was a continuing financial risk paying staff and rent/service charges for the voids.

To better reflect current and future demand, a reduction of some 30 units appeared necessary to reduce void risk. This would also continue to allow for some variation in demand. Lubbock House provided 30 beds and was also identified by its owner Affinity Sutton as being unviable to maintain long term, the fabric of the building requiring significant investment. There were currently eight voids at Lubbock House with just 19 tenants in residence (plus three flats, used as temporary "step down" flats, also treated as vacant).

In view of the above, it was proposed to begin consultation with staff on decommissioning Lubbock House as an extra care housing scheme for older people. Consultation with tenants would also be undertaken by Affinity Sutton. A further report on the outcome of consultations would be provided to Members. If it was decided to decommission, officers would work alongside Affinity Sutton to assist in rehousing tenants at another extra care housing scheme in the borough. Officers would also discuss alternative uses for the site with Affinity Sutton.

Members agreed to proceed with the process of consultation.

RESOLVED that:

(1) the commencement of consultation with staff, trade unions, and other staff representatives regarding the decommissioning of Lubbock House as an extra care housing scheme for older people be agreed alongside consultation by Affinity Sutton with tenants; and

(2) a further report be presented on the outcome of the consultations for a final decision.

**142 GATEWAY REPORT ON TENANCY SUSTAINMENT SERVICES
 FOR YOUNG PEOPLE**

Report CS1424

Report CS1424 reviewed the provision of tenancy sustainment services to young people, making recommendations for commissioning when the current contracts end on 30th August 2015.

It was agreed to give further consideration to the report and options presented - in the meantime the existing contract was to be extended for up to six months.

RESOLVED that:

(1) further consideration be given to tenancy sustainment services for young people; and

(2) authority be delegated to the Chief Officer in consultation with the Portfolio Holder to award a short extension to the existing contract for up to six months.

143 REFURBISHMENT OF BEACON HOUSE

Report ED15055

Report ED15055 updated Members on proposals for Beacon House and its refurbishment as Burwood School's alternate KS4 and KS5 provision.

A variety of vocational courses at Key Stage 4 and 5 would be delivered at Beacon House to both male and female pupils identified with social, emotional and mental health (SEMH) difficulties. A review by consultants identified a range of works needed to deliver the provision, with a draft refurbishment timetable focused on completion for the start of the 2016/17 academic year.

The current facilities at Burwood School failed to provide an adequate range of learning and subject options for pupils; the purchase and refurbishment of Beacon House allowing a significant improvement in SEMH provision for children at Bromley.

A proposed use of £3m Dedicated Schools Grant as substantial funding for the project was subject to approval by the Department for Education.

RESOLVED that the scheme be approved and recommended to Full Council for admission to the Council's Capital Programme.

144 HAVELOCK ROAD RECREATION GROUND, BROMLEY - LA FONTAINE FREE SCHOOL

Report DR15/012

This item had been withdrawn from the agenda (both Part 1 and Part 2 reports) prior to the meeting.

145 GATEWAY REVIEW 0,1 & 2 APPROVAL OF 2015/16 OPERATIONAL BUILDING MAINTENANCE BUDGETS, PLANNED MAINTENANCE PROGRAMMES AND PREFERRED PROCUREMENT OPTION

Report DRR15001

Concerning Operational Building Maintenance for 2015/16, details were provided of the criteria used to assemble each programme, based on the draft budget proposals. The strategic assessment and business justification for the programmes were also addressed along with the preferred procurement option for completing them.

The proposed planned maintenance programme was appended to Report DRR15001.

Within the budget and programme for building maintenance, officers endeavoured to ensure that buildings remained safe and suitable for use.

RESOLVED that:

(1) subject to the Council agreeing the budget, an overall expenditure of £1,923,610 for the Building Maintenance budget in 2015/2016 be approved, as set out at paragraph 5.1 of Report DRR15001;

(2) the planned maintenance programme at Appendix C to Report DRR15001 be approved;

(3) authority be delegated to the Director of Corporate Services to vary the planned programme to accommodate any change in the approved budget or, where such action is considered necessary, to either protect the Council's assets, or make the most effective use of resources;

(4) the criteria used to assemble the planned maintenance programme be approved along with the preferred procurement option, as set out at section 10 of Report DRR15001;

(5) authority be delegated to the Director of Corporate Services to select the most economically advantageous tender for any individual item of expenditure under the approved programme referred to at (i) to (iv) above; and

(6) the Director of Regeneration and Transformation be authorised to submit planning applications where appropriate in respect of schemes set out in this report.

146 THE FUTURE OF ANERLEY TOWN HALL

Report DRR15/002

Members considered a report setting out options for the future of Anerley Town Hall.

The Crystal Palace Community Development Trust (the Trust) managed a Business Centre from the site for an annual fee and leased the Civic Halls

facility at a peppercorn rent. A paper from the Trust was appended to Report DRR15/002. The Trust would also manage an automated book lending facility at the site supported by eight Peoples Network terminals and the Council would pay the Trust an annual fee to manage the Community Library. The Trust was also interested in utilising the vacated library space to the rear of the Town Hall.

However, a new stand-alone telephone system was urgently needed at the Business Centre and a recent survey revealed a significant backlog of maintenance required for the building. The front wall of the building was also subsiding and a significant repairs liability was identified for the next ten years. Repairs for the building were estimated at £1.273m.

Anerley Town Hall is also a locally listed building.

Four options were presented to Members:

- Option A - retain as existing
- Option B - lease to the Trust
- Option C - sale subject to existing uses
- Option D - disposal of The Town Hall / construction of a new community facility (potentially on the overflow car park of the existing site)

A summary of consultation responses from users of the Halls and Business Centre tenants was appended to Report DRR15/002 as was an Equality Impact Assessment. An updated Interim Business Plan from the Trust for the Town Hall was also provided.

In relation to Option B, suggested heads of terms were also tabled which could be discussed with the Trust.

Introducing the report the Portfolio Holder for Renewal and Recreation highlighted that the Renewal and Recreation PDS Committee and the Executive and Resources PDS Committee both preferred Option B. This involved the Council granting a 40 lease of the whole building to the Trust on full repairing terms at a peppercorn rent, but excluding the overflow car park which could be sold. This would enable the Trust to lever in external funding which could be used to maintain the building but the Trust would require the Council to resolve the subsidence issue and upgrade the Business Centre IT. There would also be a loss of rent whilst the works were undertaken prior to grant of lease. The Portfolio Holder also suggested that a firm quotation was needed for rectifying the subsidence problem.

Councillor Wilkins (Crystal Palace) encouraged Members to support Option B, highlighting the building's use as a business centre. Councillor Wilkins suggested that a number of rooms were not occupiable in view of the subsidence problem. She could envisage the business centre servicing both small and medium sized businesses and highlighted the GLA's identification

of the area for business regeneration. She also highlighted a need to repair the building quickly to prevent further problems and repairs.

Noting that underpinning costs could increase as subsidence worsened, the Deputy Leader asked for further investigation on whether any GLA funding could be received for business regeneration in the area. This could help fund underpinning costs and a report could be brought to the Executive with more detail on this and other aspects.

Following concern that it might be necessary to spend further on the building in later years, Councillor Wilkins highlighted that the Trust was prepared to assume responsibility for maintenance under Option B (excluding subsidence repairs and upgrading the Business Centre IT). The Council would also continue to have the benefit of the asset.

Members were advised that the GLA study (suggesting the area had been identified for business regeneration) had not concluded but there was confidence it would refer to business contributing significantly to the area.

The cost of repair at £1.273m was also broken down and included about £540k for the maintenance backlog and about £300k for subsidence repairs. A lease of 40 years with Option B would enable the Trust to lever in external funding to maintain the building and address the repairs backlog.

Councillor Nicholas Bennett JP (West Wickham), as the Council's Heritage Champion, highlighted the building as a fine example of Victorian architecture. Both the interior and exterior were important. Cllr Bennett supported its retention, making it fit for purpose, and having it open to meet aspirations. Cllr Bennett added that he would not be against an extension to the building as long as its façade was retained.

Concerning Option D, it was suggested that the building site could be of higher value with a potential for additional housing and a new community centre. The service offices would be lost but alternative premises could be provided. The Deputy Leader asked if any thought had been given to the provision of luxury apartments in parts of the former library to help fund a community centre building in the overflow car park.

In concluding discussion, the Leader felt that Option D could not be ruled out and in the meantime asked officers to carry out further work on details such as firm costs for subsidence repairs and IT and to report back to the Executive for final decision.

RESOLVED that:

(1) further work be carried out on details such as firm costs for subsidence repairs and IT with a report back to the Executive for final decision; and

(2) a decision on the installation of a new telephone system at Anerley Town Hall be considered in Part 2 proceedings.

147 A NEW APPROACH FOR BROMLEY MUSEUM

Report DRR14/116

This item was withdrawn from consideration prior to the meeting.

During the item on questions earlier in the meeting, the Portfolio Holder for Renewal and Recreation provided a statement advising that it had been decided to postpone consideration of the item for approximately three months, during which time officers would have further discussions with interested parties on Bromley Museum and the Priory. Full details of the Portfolio Holder's statement are at **Appendix A**.

148 CLOSURE OF BECKENHAM, BROMLEY, AND WEST WICKHAM PUBLIC TOILETS

Report ES14094

Members considered a proposal to save £67k by closing Beckenham, Bromley, and West Wickham High Street public toilets (declaring the Beckenham property surplus to requirements) and introducing Community Toilet Schemes as alternative provision. Most of the scheme agreements had no revenue cost implications being based upon the 'Open London' scheme or by utilising other premises with no fee-paying requirements. The additional cost of new entrants to the scheme amounted to £2k pa; a list of the Community Toilet Scheme business partners was appended to Report ES14094.

Final results of public consultation on the toilet closures were tabled as were details of an Equality Impact Assessment for the Community Toilet Scheme 2015.

Introducing the item, the Deputy Leader and Portfolio Holder for the Environment highlighted that two further Community Toilet scheme facilities had now been included for Beckenham, in addition to those appended to Report ES14094.

In discussion it was suggested that the provision of community toilet facilities seemed more convenient than having just one location for public toilets. This was supported with community toilet schemes providing better facilities at less cost. If businesses providing community toilet facilities were to receive increased footfall, more retail outlets could be interested in joining the scheme. The Leader agreed with the greater flexibility provided by community toilets; the scheme made economic sense and was good for the local economy.

Councillor Nicholas Bennett JP (West Wickham) supporting the recommendations enquired whether there had been any further progress in securing the use of facilities at the Lidl store, West Wickham. Councillor Bennett also enquired whether facilities at West Wickham library could be opened as a Community Toilet Scheme. The Portfolio Holder advised that he was hopeful of some positive news soon.

Members supported the recommendations.

RESOLVED that:

- (1) the closure of Beckenham, Bromley and West Wickham High Street public toilets from 31st March 2015 be agreed;**
- (2) the Beckenham public toilet be declared surplus and offered to the market, on the basis that if offers are not forthcoming the public toilet should be demolished; and**
- (3) the expansion of the Community Toilet Scheme as the alternative provision set out in paragraph 3.7 of Report ES14094 be authorised.**

**149 CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM
 THE EXECUTIVE AND RESOURCES POLICY DEVELOPMENT
 AND SCRUTINY COMMITTEE**

There were no additional issues to be reported from the Executive and Resources PDS Committee.

**150 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE
 LOCAL GOVERNMENT (ACCESS TO INFORMATION)
 (VARIATION) ORDER 2006 AND THE FREEDOM OF
 INFORMATION ACT 2000**

**151 EXEMPT MINUTES OF THE MEETING HELD ON
 14TH JANUARY 2015**

The exempt minutes were agreed.

152 THE FUTURE OF ANERLEY TOWN HALL

Report DRR15/002

The Committee considered confidential and commercially sensitive information related to options for the future of Anerley Town Hall.

Members were also asked to consider a recommendation related to the installation of a new telephone system at Anerley Town Hall.

**153 HAVELOCK ROAD RECREATION GROUND, BROMLEY - LA
FONTAINE FREE SCHOOL**

Report DR15/012

This item had been withdrawn from the agenda (both Part 1 and Part 2 reports) prior to the meeting.

154 DIRECT CARE UPDATE

Report CS14122

Report CS14122 provided an update on tendering for in-house direct-care services. Recommendations were included.

An additional recommendation related to the reablement service was also tabled (and circulated electronically to Members prior to the meeting).

**155 AWARD OF CONTRACT FOR CAPITAL WORKS AT GLEBE
SCHOOL**

Report ED15057

As part of the Glebe School expansion project, Members were asked to approve the appointment of contractors to undertake the main construction works at the school.

156 CAPITAL RECEIPTS

Related to the 2014/15 third quarter Capital Monitoring Report (Minute 137), Members noted exempt details of the receipts forecast in the years 2014/15 to 2017/18 (inclusive).

157 A NEW APPROACH FOR BROMLEY MUSEUM

Report DRR14/118

This item was withdrawn from consideration prior to the meeting (please see Minute 147).

Chairman

The Meeting ended at 10.11 pm

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In view of the number of questions received, each questioner at the meeting received a written reply to all questions.

For questions related to *Bromley Museum – The Priory* and *Extra Care Housing – Lubbock House*, the Portfolio Holders for Renewal and Recreation and Care Services respectively made a statement to the meeting (details below).

The Chairman then invited each questioner to ask a supplementary question if they so wished.

QUESTIONS FOR ORAL REPLY

CRYSTAL PALACE PARK

(A) From Councillor Angela Wilkins

We are all aware that the exclusivity period concerning Zhong Rong's proposals for CPP has come to an end.

We are aware too of Cllr Carr's event press release and subsequent comments to the effect that negotiations with Zhong Rong are still progressing.

If, as stated at Executive & Resources PDS on 4th February, there are other organisations or individuals with proposals for the Park, I believe it would be in the wider public interest to now open discussions with these other groups as well.

Mr Ni has had twelve months of exclusivity, effectively excluding all other contenders from discussions. Opening up the matter now does not prohibit him from continuing with his proposals for the site, but it does allow others to come forward and for this council and local residents to have a wider choice of options concerning the future of south London's most impressive and historic park.

1. Will the Leader therefore agree that Zhong Rong should no longer have any exclusivity and that his door is officially open to other interested parties?

Reply

You are correct to state that the Zhongrong Exclusivity Agreement has expired (1st February). Notwithstanding this, Zhongrong has confirmed that they remain committed to progressing the building of a new Crystal Palace and the refurbishment of the Park and have requested an extension to the Exclusivity Agreement.

The Council has subsequently written to Zhongrong giving them 14 calendar days (to 20th February) to agree a number of financial and business planning related conditions, which Zhongrong would need to agree before the Council would be willing to consider renewing the Exclusivity Agreement. It would be for Members to determine whether they are satisfied that there are reasonable grounds to enter into

a new Exclusivity Agreement with Zhongrong, or whether other options should be progressed. This will be the subject of a future report to the Executive.

BROMLEY MUSEUM – THE PRIORY

Statement by Cllr Morgan, Portfolio Holder for Renewal and Recreation

“It has been decided to postpone consideration of this item for three months approximately. During this period our officers will have further discussions with interested parties. These discussions will be in three parts:

- 1. How best to operate the museum if it is moved to Central Library. How our existing staff in the Local Studies section can contribute and how volunteers can assist both with the educational element of the displays and the setting up of new displays on a twice a year basis. A study of where the many paintings and other art works might be hung in various public building around the Borough.***
- 2. If it is decided to move the museum from The Priory, what uses might be appropriate for the building bearing in mind its importance to the town centre economy and the future upkeep of this very important listed building.***
- 3. We want to produce a study of Orpington town centre bearing in mind all that is happening e.g. the new cinemas, possibly a new hotel, the new Health Centre on the site of the former police station and the public realm improvements in the space between the cinemas and the Health Centre and this study will include a careful look at The Priory to see how that can contribute to the health of the local economy. Again local interest groups will be involved in the preparation of this study.***

Once this further period of study has been completed a further report will be brought to The Executive for a decision on these matters. Hopefully the discussions will answer many of the questions which have been submitted for this evening’s meeting but there will of course be an opportunity for further questions at that future Executive Meeting, probably in June this year. I should say that in terms of saving revenue cost, the moving of the museum to Central Library has been carefully examined and in all likelihood this is what we shall have to do. We are however, open to suggestions about other ways of achieving the same result.”

Democratic Services Note: The replies below relating to Bromley Museum, The Priory, were prepared prior to the meeting and in advance of the decision to postpone the Bromley Museum/Priory item for approximately three months. This development may therefore affect some of the replies provided below.

(B) From Margot Rohan

1. Why has there been no public consultation over the proposal to sell The Priory? It is a key decision and affects residents in more than one ward. What are the options which have been considered and where have the financial assessments been published?

Reply

There has been ongoing consultation on the future of the museum service since 2009. If the museum service is realigned and the exhibitions moved to Central Library, as a consequence the Priory will be surplus to operational requirements. The financial assessments are commercially sensitive information.

2. Why has Bromley Council not considered the possibility of a Community Asset Transfer for The Priory, by way of a long lease, so the Museum can continue there and the premises be used for other community activities? Why has the community been denied this opportunity?

Reply

There has been discussion with community stakeholders about the possibility of them taking over the running of the Priory and museum, however the capital and revenue costs have been considered prohibitive. No community groups have approached the Council regarding a Community Asset Transfer.

Supplementary Question

Margot Rohan offered to contribute in helping determine the future of the Priory and the Museum. Referring to any possibility of the Priory becoming an asset of community value, she hoped that her offer would be taken into account and consultation taken forward.

Reply

The Portfolio Holder confirmed that Margaret Rohan’s offer would be taken into account and consultation with interested parties would be taken forward.

(C) From Mrs Anne Manning

1. In response to a supplementary question at last week’s meeting of R&R PDS Committee, Cllr Peter Morgan gave an assurance that consideration would be given to allowing another year to reconsider the future of the Museum Service. I ask that the Executive endorse this proposition.

Reply

Due consideration has been given. Given the budget pressures across the whole Council the museum service budget cut will not be delayed by a year. Since 2009, prior to the development of the HLF bid, the future of Bromley Museum at the Priory has been examined and consulted on, therefore significant Council resource has already been spent on considering the options.

Supplementary Question

In view of interested bodies being consulted, Mrs Manning highlighted that when serving on the Council, she had a role as Borough Heritage Champion. In view of her experience, Mrs Manning expressed her willingness to help by way of contribution in the forthcoming three months.

Reply

The Portfolio Holder indicated that he (or officers) would be in touch.

(D) From Pam Temple

1. Will the Council set out the measures to be taken to bring the Museum store up to the current British Standards Institution Specification for Managing Environmental Conditions for Cultural Collections - PAS 198.

Reply

The current museum store will be retained and there are no proposals to alter this existing facility. If it is found that improvements are required for this facility going forward this will be considered separately.

2. The handling of artefacts and their interpretation by staff was the only way for some disabled people to engage with the collection, and was a priority in the consultation for the HLF funded proposal. Can the Council explain how the needs of these disabled groups will be met in future?

Reply

Access to the Priory is very limited, with only one room, the Great Hall, being fully accessible to all. The exhibitions in Central Library will be fully accessible. There is also an accessible toilet at the Library. The handling collection will be retained, except if there are specific handling boxes that are found to be no longer required, in which case they will be offered to other not-for-profit organisations such as schools. It

is intended that volunteers will engage some groups who visit the exhibitions by utilising the handling collection. Additionally access will be improved to the collection by displaying art and artefacts from the collection in mini displays at civic locations across the borough.

3. Can the Council confirm that the collection will be preserved and not split up or disposed of?

Reply

The collection will be rationalised. There are objects within the collection that should not have been acquisitioned as they do not meet the museum's collecting criteria of being relevant to the history of Bromley. There are no plans to split up the collection, however it is anticipated that in the future consideration will need to be given, and consultation undertaken, on some specific areas of the collection and how they are looked after, such as the human remains.

Supplementary Question

Pam Temple enquired of the interested parties that would be consulted in the forthcoming three months, including those with disabilities/disability groups. Those with disabilities would need assistance at any premises for the museum.

Reply

The Portfolio Holder indicated that consideration was not finalised on who would be consulted. He would be glad of volunteers and highlighted that not many rooms were properly accessible at the Priory. In contrast, the Central Library was fully accessible. The Portfolio Holder indicated that officers would include disability groups/organisations in consultation.

(E) From Janet Clayton, Chairman, Orpington and District Archaeological Society

1. Professional expertise is essential for the care of the Borough's artefacts and artworks, but knowledge of local studies/archives will not itself provide this; will the Committee reconsider how to provide such expertise in future, including exploring new ways to access curatorial skills (e.g. sharing a post with another museum)?

Reply

It is anticipated that additional staff and volunteer training will be required, and there is money within the £395k budget for this.

2. At the R&R PDS on 29 January, the Portfolio Holder said the Council would do 'whatever is necessary' to maintain the Priory building once exhibits have been removed. Can the Committee confirm that sufficient resource will be available to ensure this - and to maintain the museum store?

Reply

Yes

3. Officers elsewhere in the Council - Property, Local Studies, Planning - will have to take on responsibilities hitherto performed by the Curator (monitoring the store, monitoring of archaeological sites, liaison with volunteers etc); can the Committee confirm that staffing levels will be adequate to allow this?

Reply

Yes

Supplementary Question

Janet Clayton hoped that ongoing consultation would include curatorial aspects.

Reply

The Portfolio Holder indicated that such aspects would be looked at.

(F) From Michael Meekums, Bromley Museum Volunteer Co-ordinator

1. Will Local Studies and Archives have enough resources to take on the work of monitoring the store of archaeological artifacts and paintings as well as overseeing the new displays and volunteers and deal with enquiries from the public about the collection, in addition to the responsibilities they currently have?

Reply

A system will be developed for managing this work which is achievable. There has been interest from the community in supporting this work, and the Council will work with local interest groups to achieve the aims.

2. Will the committee please confirm that the Council has sufficient staff resources to look after and maintain the Priory building until it is sold?

Reply

Officers in the Council's Strategic Property Service are liaising with the Council's Conservation Officer and with specialists at English Heritage to ensure that appropriate measures are put in place and to take all reasonable steps to safeguard the building while it is vacant.

3. Will the committee please confirm that the conservation officer has enough resources to take on the additional responsibility of looking after the borough's archaeological sites, and dealing with archaeological planning issues as well as his current role?

Reply

If a planning proposal arises in an "archaeological area of significance" the planner will consult Mark Stevenson at English Heritage who will then advise on the necessary planning condition to be attached to a decision. The borough's archaeological sites in Council ownership will be overseen by the Culture, Libraries and Leisure Division.

Supplementary Question

Mr Meekums enquired whether residents in local roads would be consulted.

Reply

This would be considered and if local residents were to be affected, consultation could be expected.

The Leader also indicated that Ward Councillors would be assisting significantly with local residents.

(G) From Richard Gibbons

1. How has the Council calculated the number of people who may view the proposed heritage displays from the total 200,000 visitors to the Central Library? Comparing visitors to a museum to visitors to a library is irrelevant.

Reply

Up to 19,000 visitors visit the museum each year and access the local history collection by visiting the exhibitions and there are some days when the museum receives no visitors at all. In 2013/14 the Central Library received 468k visitors, due to the proposed central location of the exhibitions within the library, it is a fair assumption that 200k visitors will visit the new exhibitions each year.

2. Will the initial £186k grant from the Heritage Lottery Fund have to be repaid?

Reply

No

3. Has the Council considered the financial impact on Orpington town centre of the proposals? And, if so, what are the estimated figures?

Reply

The visitor footfall to the museum is low, therefore the closure of the museum at the Priory is not expected to have an impact on visitor numbers to the town centre. The sale of the Priory will not be financially led, but will be community benefit led, therefore it is anticipated that the new building use will have a positive impact on the town. A community working group will be set up to feed in to the decision making on the sale, to ensure that it meets community needs and supports the improvement of Orpington.

Supplementary Question

Should the Museum move to the Central Library, Mr Gibbons asked if a more realistic estimate could be provided on the number of visitors that could be expected.

Mr Gibbons also highlighted that the Council had indicated that it was committed to working with the local community in regard to the Priory and indicated that recent proposals came as news to him. As such, he hoped that consultation locally within the forthcoming three months would be authentic.

Reply

In his reply, the Portfolio Holder referred to the number of visitors to the Central Library in 2013/14 (468k). However, it was not possible to accurately calculate the number of visitors that could be expected to the Museum should it move to Central Library.

In regard to consultation, the Portfolio Holder indicated there had been (ongoing) consultation but acknowledged that it did not appear to have reached all parties it should have reached. The Portfolio Holder looked to have a thorough consultation in the next few months.

EXTRA CARE HOUSING – LUBBOCK HOUSE

Statement from Councillor Evans, Portfolio Holder for Care Services

***“As set out in the report to the Executive on this agenda, there have been, and continue to be, a significant number of vacancies in extra care housing. Placements in extra care housing are made following an assessment of individual need. An individual must meet the Council’s Fair Access to Care criteria of substantial and/or critical need to be nominated and agreed for extra care. Extra care housing may not be suitable for everyone who has care needs and so each decision is made in light of an individual’s assessed needs. The eligibility criteria for extra care housing have not changed so the continuing situations with vacancies is not a result of changed criteria.*”**

There are no waiting lists for extra care housing. Extra care housing is already used as a “step down” from hospital where this is appropriate for an individual.

The Care Act does not change the eligibility criteria for care which the Council already applies and so is not expected to change the demand for extra care housing.

The number of staff at Lubbock House at any time is based on being able to meet the assessed needs of the people who live there. Therefore the number of staff required will vary according to the needs of the cohort of people living there.

If Lubbock House is de-commissioned as extra care housing, the Council will discuss the future use of the building/ site with Affinity Sutton. Affinity Sutton have advised the Council that they would carry out a full options appraisal. No proposals have been put to the Council at this stage. The Council does not hold information on restrictions or obligations on the use of the site – that is a matter for Affinity Sutton to establish.

Affinity Sutton has continued to invest in the building to ensure that Lubbock House meets the standards expected for tenants pending any decision on closure.”

(H) From Mrs Lindsey Park

1. With the implementation of the Care Act 2015 and role of local Authority identifying people in care who might have care and support needs that are not being met, could the Council explain why they are closing an extra care unit at a time when beds might be required.

Reply

As set out in the report to the Executive, there have been, and continue to be, a significant number of vacancies in extra care housing. Placements in extra care housing are made following an assessment of individual need. The Care Act does not change the eligibility criteria for care which the Council already applies and so is not expected to change the demand for extra care housing.

2. Could you identify eligibility criteria for entry to extra care beds in this borough? As Bromley have to make financial savings could you inform us if Bromley have raised their eligibility criteria? If this is fact fewer people can use ECH and therefore more units empty.

Reply

Bromley Council has not changed its eligibility criteria for extra care housing. The Council is responsible for the assessment of need for extra care housing. An individual must meet the Council's Fair Access to Care criteria of substantial and/or critical need to be nominated and agreed for extra care. Extra care housing may not be suitable for everyone who has care needs and so each decision is made in light of an individual's assessed needs.

3. Why was extra staff taken on at Lubbock House at the end of 2014 when there were so many empty units? This would appear to be a waste of money and make Lubbock House run at a loss on paper.

Reply

The number of staff at Lubbock House at any time is based on being able to meet the assessed needs of the people who live there. Therefore the number of staff required will vary according to the needs of the cohort of people living there.

Supplementary Question

Referring to a case of a potential extra care housing placement from L B Lewisham, apparently not accepted by L B Bromley, Mrs Park suggested that information had been relayed indicating that L B Bromley had no eligibility criteria, with acceptance made solely on the basis of individual assessment.

Mrs Park maintained that hospital beds were being blocked as a result of elderly people remaining in hospital and she asked why there should be empty units/beds in extra care housing when it was known by the medical profession that more hospital

beds needed to be released. In seeking the release of beds, Mrs Park suggested that the PRUH had requested assistance to come to the hospital.

Mrs Park felt that elderly people were not provided a choice and suggested that extra care beds could help meet targets (for the release of hospital beds). She sought justification for moving Lubbock House residents as she felt they were well cared for at their current location. Mrs Park also sought to understand how the Council was promoting its Extra Care Housing.

Reply

The Portfolio Holder advised that since Kings College Hospital NHS Foundation Trust took over responsibility for the Princess Royal University Hospital (PRUH), there had been only two instances of individuals waiting in hospital for care packages reported as delayed discharges. L B Bromley used its extra care housing facilities for step down procedures from hospital, with standards and eligibility criteria in place by the authority.

The Portfolio Holder did not expect the Care Act to affect numbers eligible for Extra Care Housing. The Council’s focus was on increasing independence and the Council did its best to ensure that elderly people received care outside of hospital as far as possible.

Those meeting the necessary eligibility criteria following a needs assessment by officers would be offered the opportunity of extra care housing at one of the schemes in the borough. It would then be for the individual(s) concerned to indicate whether they would wish to take advantage of the opportunity.

(I) From Debbie Edmunds

- 1. What will the property be used for if it is not used for Extra care housing.

Reply

If Lubbock House is de-commissioned as extra care housing, the Council will discuss the future use of the building/ site with Affinity Sutton. Affinity Sutton have advised the Council that they would carry out a full options appraisal. No proposals have been put to the Council at this stage.

- 2. As there are vacancies at Lubbock House (which is unusual as there has always been waiting lists) why can't they offer places to people on an interim basis so that it becomes more cost effective. Many hospitals have people desperate for accommodation.

Reply

There are no waiting lists for extra care housing. Extra care housing is already used as a “step down” from hospital where this is appropriate for the individual.

3. Affinity Sutton have invested heavily in Lubbock House, new boilers, central heating, new carpets, re wiring and re-decorating. Why would they do that and spend all that money if the building was not viable?

Reply

Affinity Sutton has continued to invest in the building to ensure that Lubbock House meets the standards expected for tenants pending any decision on closure.

(J) From Harriet Park

1. How have Bromley Council been advertising/ promoting extra care housing to the general public who may require such care but don't know how to access it/it is available?

Reply

The Council is responsible for the assessment of need for extra care housing. An individual must meet the Council's Fair Access to Care criteria of substantial and/or critical need to be nominated and agreed for extra care. Extra care housing may not be suitable for everyone who has care needs and so each decision is made in light of an individual's assessed needs.

Supplementary Question

Harriet Park explained that she worked in a hospital discharge team. She suggested from her experience that discharges were not taking place as quickly as possible, inferring that beds are being blocked as a result. She maintained that hospitals were currently struggling to refer individuals for care outside of hospital. She also asserted that the extra care facilities helped prevent risks to elderly people such as falls. She further suggested that such facilities were of significant benefit in solving problems concerned with “bed blocking” and having individuals cared for outside of hospital.

Reply

The Portfolio Holder maintained that as far as L B Bromley residents are concerned there is no crisis and the Council want to provide a care package for individuals who desire to leave hospital.

(K) From David Newton

1. Why does Lubbock House need to close?

Reply

The Portfolio Holder for Care Services explained that there were two parallel issues: (i) for the local authority, the number of Extra Care Housing voids borough wide; and (ii) for the landlord of Lubbock House, Affinity Sutton, the extent of investment required in the fabric of the building, rendering it unviable to maintain longer term. If a decision was taken to close Lubbock House, the Council would be responsible for re-housing residents.

2. What is the long term plan to look after the increasing elderly population in the London Borough of Bromley?

Reply

The Portfolio Holder referred to maintaining independence as far as possible and in recent years this had been made possible by the provision of care packages at home. An increase in the number of elderly residents in the borough did not necessarily indicate an increase in the need for Extra Care Housing places.

3. Does Bromley Council intend to gradually dispense with all extra care housing in the Borough?

Reply

The Portfolio Holder confirmed that this was not the Council's intention. Extra Care Housing provided an essential element in the way that elderly people are looked after.

Supplementary Question

Mr Newton indicated that he had visited other Extra Care Housing properties (outside of the borough) and was advised that places had been kept open for L B Bromley residents. Mr Newton suggested there would be increased costs for L B Bromley in housing residents at extra care facilities operated by other authorities (e.g. L B Croydon). There would also be additional care and other costs for L B Bromley should extra care housing be reduced/withdrawn. Mr Newton suggested a figure for

increased costs and proposed that care in the community could cost more in the future. There would also be less power to negotiate prices.

Reply

In reply, the Leader referred to the closure of Denton Court, Petts Wood, and highlighted that residents of Denton Court were particularly satisfied with the outcome provided for them.

YOUTH SERVICE

(K) From Adil Ghani

1. With respect to the Bromley Youth Service what does the service re-design mean, what are the costs of the re-design and where is this break down to be approved and scrutinised?

Reply

A range of options will be presented and considered each with their own particular costs and outcomes. Members will then be able to finalise any decisions based on the options presented.

2. Under the plans for the youth service to be re-structured, there is a statutory obligation for the Council to get the views of their stake holders – Bromley Youth Council being one of the stake holders.... What are the plans for BYC to continue running as it is?

Reply

There are no plans at present for the Youth Council to cease functioning but the changes to be investigated may provide further options which in turn might lead to a reduction in support.

3. Can a reduction and re-design of the youth service be realistic, will it have a costly financial impact as youth crime, anti-social behaviour, teenage pregnancy, school exclusions increase etc... Bromley now recognised as having emerging gangs, is cutting the youth service, detrimental to the Council’s budget and the young people?

Reply

Members are very conscious on the various issues presenting themselves to our young people and targeted provision will remain to ensure those most at risk continue to be supported. The various options that will be explored might also see

options that show components of our universal services continuing as we move forward. Again these would be determined by the options appraisal implied through the service review.

Supplementary Question

If there were a range of options to be considered, Mr Ghani enquired why the budget had already been decided. Mr Ghani also sought to understand the meaning of 'targeted youth support'.

Reply

The Portfolio Holder for Education clarified that the final decision on the budget had yet to be taken; a budget outline had been arrived at but had not, as yet, been accepted by Full Council.

Concerning universal youth support, options were being considered and it was necessary for the outcome to have a minimal impact on front line services.

The Portfolio Holder also explained the distinction between targeted and universal support for the Youth Service.

BECKENHAM PUBLIC TOILETS

(L) From Pam Notcutt, Beckenham Society

1. Why, in 2010, did the Council allow a contract with Costa Coffee in Beckenham High Street for alternative toilet facilities for the public, to run on for a further 4 years at a total cost of £4,800 (inc VAT) after it was decided not to close the public toilet in Beckenham?

Reply

The cost has been £4000 not £4800 (VAT is reclaimable)

The scheme was introduced as an early pioneer to assess its success/sustainability within a busier High Street environment, then maintained given the Council's reluctance to potentially lose a Community Toilet Scheme partner, due to the high probability that the arrangement would have to be made permanent over time, due to the further budgetary pressures facing the Council as a result of future Central Government grant reductions.

2. Does the Council realise that, as a result of the absence of any headcounts of use of the Beckenham public toilet and of the additional toilets available to the public in the last 5 years, the alternative toilet facilities offered will not meet the demand displaced by closure of the Beckenham Public Toilet?

Reply

I regret that I do not accept the premise of this assertion as I have previously advised the questioner; there will though be further related news in this regard when the item is discussed later in this evening's agenda.

3. Will the Council, at this late stage, seek alternative ways of using this site to include another business which would generate rental/lease income for the tax payer that would support running the public toilets on a slightly reduced footprint and scale?

Reply

If closure is confirmed later this evening, I can advise you that there is no immediate plan to dispose of the premises.

It therefore remains open to any interested party who might wish to rent or purchase the block to express an interest in doing so either before, or during any disposal process which will likely follow over time.

Supplementary Question

Referring to the Portfolio Holder's reply to her first question, Pam Notcutt suggested that £4k would be sufficient to run the existing toilets at Beckenham, Bromley and West Wickham for some months.

Pam Notcutt asked the Portfolio Holder how it was expected that hygiene and other issues might be satisfied when a number of visitors to the town centres might be unaware of where the Community Toilet facilities are located.

Pam Notcutt also referred to a significant percentage of the Beckenham population being elderly and suggested that local community toilet facilities would be insufficient.

Reply

The Deputy Leader and Portfolio Holder for the Environment asked that he and Council officers be informed if it was noticed that any of the Community Toilet Scheme facilities were not open for public use.

(M) From Ruth Fabricant

1. At the ceremony at Thornton's Corner in 2013 , the Town Crier proclaimed them the most beautiful toilets he had ever seen; Bob Stewart then and now M.P. for Beckenham, attended ceremony, and referred to toilets, too, thanking the Council for keeping them open. So why is Bob Stewart not supporting us to keep these toilets open?

Reply

I appreciate that as the Green Party PPC for Beckenham in the impending General Election that you have a parochial interest in trying to embarrass and draw Mr Stewart into a matter he has no mandate to influence, but it is not for me to comment on or attempt to second guess his thoughts on the subject.

2. How could Councillors make a valid decision after admitting a) they were unfamiliar with Beckenham High Street and b) they did not know how many times per day/evening the toilets were used?

Reply

The Council unfortunately has to find £68m from a £205m budget over the course of the next 3 years; many difficult and imperfect decisions are going to have to be made to balance the books, of which this is just one.

Community toilets provide a viable alternative choice, which offer greater choice in more regularly checked, cleaner and safer venues whilst providing support for participating local businesses and saving the Council Tax Payer money.

3. Majority of residents want toilets kept open, within this same building and with the surrounding gardens, which are sponsored by a plumbing firm. So how do Council feel when residents have expressed deep concern/sadness at their closure, and disappointment in the Council, particularly as most voted 'Conservative'?

Reply

I note that you are trying to make further cheap political capital with this ill-informed assertion. Most didn't for your information.

As to how the Council feels, it is extremely unhappy having to make many very difficult decisions to balance the books due to a large reduction in Central Government funding to our budget, as part of their efforts to close the Nation's yawning budget deficit and debt.

Most people I have spoken to understand that, however reluctantly, once the unprecedented nature of the seriousness threats to local government funding and indeed democracy, have been explained to them.

Supplementary Question

Ruth Fabricant indicated there were a large number of elderly residents in the borough. Those over 65 were susceptible to heart disease. At least a third of signatures to a petition against the Beckenham public toilet closure were from individuals over 65. Beckenham also attracted many visitors. Ruth Fabricant had seen a number of visitors use the Beckenham public toilets during the winter months. She felt that elderly people need access to toilet facilities.

Reply

The Deputy Leader and Portfolio Holder for the Environment indicated that Community Toilet Schemes had proven to work in many places and was confident the Community Toilet facilities for Beckenham would work well.

QUESTIONS FOR WRITTEN REPLY

BROMLEY MUSEUM – THE PRIORY

(N) From Mrs Susan Sulis, Secretary, Community Care Protection Group

1(a) Why has there been no notification of these proposals on the Council’s Website?

Reply

The report, published on the website, is notification of the proposal. Stakeholder groups have been consulted on the future of the museum.

1(b) Why has there been no Public Consultation?

Reply

There has been consultation ongoing since 2009 on the future of the museum.

1(c) What is the Council’s legal duty to consult the public on this issue?

Reply

The Local Authority has relatively few statutory duties to consult. This is not one of those occasions. There has been consultation on the museum service. If the

recommendations in this report are agreed, as a consequence of realigning the service, the building will be surplus to operational requirements.

1(d) Has an (i)Equality or an (ii)Environmental Impact Assessment been carried out?

Reply

An Equality Impact Assessment has been carried out and drafted. This will be published once it has been checked and signed off. An environmental impact assessment would be undertaken by a purchaser as part of the planning process if it is required.

2(a) The Priory and its Gardens were purchased by Orpington Urban District Council after WW2, as a 'living memorial', to commemorate the fallen. How can the Council justify selling off our heritage - the Grade 2 listed house, and part of these historic Memorial Gardens, which are 'Public Open Space'?

Reply

The Priory is not a war memorial. It is proposed that only public space required to give the building a curtilage is sold. This will be considered during the sale process and the community working group will be involved in these discussions.

3(a) The total current budget for the Museum is £152k p.a. What is the current value of Bromley's Reserves, and why cannot they be used to fund this?

Reply

Details of Bromley's reserves are included in Appendix 6 of the 2015/16 Council Tax report on the Executive agenda (pages 76 to 80). During this ongoing period of austerity there is a need to find significant savings to meet the "budget gap" and reserves are utilised to deliver long term savings, enable income opportunities, support economic development and manage financial risks during this unprecedented period of austerity. Reserves are one off monies and it is not financially sustainable to use council reserves as part of the revenue budget to fund ongoing service costs.

3(b) What is the total cost of Councillors' allowances, and how much would be saved overall by reducing Councillor numbers from 60 to 40?

Reply

The budget for Members Allowances in 2014/15 is £1,112.560. Basic allowances for 20 councillors amount to £217,440

(O) From Margaret Vos

1. Given that the Bromley Museum at The Priory is not only a council property but a public, cultural, and heritage site and resource, how does the Council square this proposed sale without proper public consultation from the affected members of the public?

Reply

Consultation has been ongoing since 2009 on the future of the Priory and Bromley Museum.

2. The recent application for Heritage Lottery Funding for the Museum was abandoned by the Council. If the original intention was to sell the property then how does the Council reckon the waste of hundreds of thousands of pounds on a doomed application, when the money would have been better spent on upgrades and upkeep to the property?

Reply

The HLF application was entered in to in the expectation that a revenue neutral solution could be found.

3. To whom would the Museum be sold (ie, who are prospective purchasers), and for what purpose?

Reply

If Members decide that the Priory should be sold it will be advertised on the open market. The sales particulars will contain the following statement:

“In recognition of the national, county and local significance of the Priory and the Library building as a designated heritage asset, the Council is seeking a purchaser who will safeguard the building’s future. Offers will be particularly welcomed from prospective owners who propose future uses which will continue to allow the building to be visited or used by the public, and which will enhance Orpington town centre.

When offers are received Councillors will carefully consider the proposed uses as well as the financial offers in coming to a decision on the selection of a purchaser. A community working group will be set up to feed in to this process.

(P) From Christine Hellicar

1. At the R&R committee Cllr Morgan said, in response to my supplementary question, the Council will look at retaining an accredited museum service for one year and set up a working group to explore ways and means of maintaining a future service for the community. I ask that the Executive endorse this proposition.

Reply

No the budget cut won't be delayed. However I listened to stakeholders during the most recent consultation and at committee last week, and in response to the report feedback a request is being made to the Executive for a small annual amount of money to enable the changing exhibitions and increased public access to the collection. The Council will work with the Bromley Heritage and Arts Forum (Bhaf) and other interested stakeholders to develop and manage these exhibitions.

EXTRA CARE HOUSING – LUBBOCK HOUSE

(Q) From Charles and Christine Young

1. What restrictions and obligations, if any, apply to the use of this site?

Reply

As noted above, If Lubbock House is de-commissioned as extra care housing, the Council will discuss the future use of the building/ site with Affinity Sutton. No proposals have been put forward at this stage. The Council does not hold information on restrictions or obligations on the use of the site.

2. Will it remain residential?

Reply

See above

3. If so what will be the proposed make-up of the development?

Reply

See above

YOUTH SERVICE

(S) From Jane Crockett

1. In the proposal to cut £506,000 from the youth service what projects, services, centres etc will be closed and reduced? If this is not known then what is the process and timescale for identifying it and how this is going to impact this borough...my community...the young people?

Reply

The broad outline of the £506,000 is known, however, there is further work to be done on the full detail and this detail has to be subject to more consideration. I (Cllr Wells) will be leading this work; including engagement with interested parties.

2. Have you consulted the young people and people of the community? If so where is the evidence to show that the young people and community have been consulted regarding these cuts and decisions? If not why?

Reply

The Youth Council responded to our public consultation "Our Budget Your Views" in November last year on behalf of the young people in the Borough. Their response was publicly reported to the Executive in January as part of Appendix 8 to the Draft 2015/2016 Budget report. Further consultation will be undertaken as part of the service redesign.

3. Why, after the youth service has been hit twice by the cuts already, why is it now set to be cut yet again by half its yearly budget? Are the young people of Bromley not important enough?

Reply

Of course they are important, that is why we are protecting our Targeted Youth Service, the service for those most at risk, in the face of the very significant budget reductions we are having to make.

(T) From Caroline Stone

1. If the proposed budget cuts go ahead, how will it affect the voluntary youth sector? Currently a small grant scheme enables c.10k young people to access positive activities and experience new opportunities. The loss of this funding would have a huge impact on the voluntary youth groups in Bromley.

Reply

The proposals include no decisions about some of these smaller grants and will form a component of the consultation.

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Decision Maker: Executive

Date: 24th March 2015

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

Title: **MATTERS ARISING FROM PREVIOUS MEETINGS**

Contact Officer: Keith Pringle, Democratic Services Officer
Tel. 020 8313 4508 E-mail: keith.pringle@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: N/A

1. Reason for report

1.1 **Appendix A** updates Members on matters arising from previous meetings.

2. **RECOMMENDATION**

2.1 **The Executive is invited to consider progress on matters arising from previous meetings.**

| | |
|---|----------------------------------|
| Non-Applicable Sections: | Policy/Financial/Legal/Personnel |
| Background Documents: (Access via Contact Officer) | Executive Minutes |

Corporate Policy

1. Policy Status: Existing Policy The Executive receives an update on matters arising from previous meetings at each meeting.
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £373,410
 5. Source of funding: 2014/15 Revenue Budget
-

Staff

1. Number of staff (current and additional): 10 posts (8.75fte)
 2. If from existing staff resources, number of staff hours: Monitoring the Executive's matters arising takes at most a few hours per meeting.
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of Executive Members
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

| <u>Minute Number/Title</u> | <u>Executive Decision/Request</u> | <u>Update</u> | <u>Action by</u> | <u>Completion Date</u> |
|--|--|---|--|--|
| 10th Sept 2014 | | | | |
| 61. Gateway report - proposals for re-tendering the Churchill Theatre Management Contract | Resolved that(2) a further report be brought to the Executive in May 2015 on the results of the tender process and evaluation, along with the results of the condition survey of the building currently being undertaken. | Further report to be provided two weeks prior to the Executive meeting. | Executive Director of Environment and Community Services | As per update opposite. |
| 15th October 2014 | | | | |
| 79. Substance Misuse Services | Resolved that(2) a policy review be undertaken to develop a revised approach to counter substance misuse in preparation for the procurement of a new contract effective from January 2016 and progress reports be brought back to the Executive after three and six months. | Officers are looking to provide an update report to a future Executive meeting via the Care Services PDS Committee. | Executive Director of Education and Care Services | Update report will be scheduled for a future Care Services PDS meeting and subsequent Executive meeting. |
| 80. Adoption Grant Draw-down | <p>The Portfolio Holder for Public Protection and Safety recommended funding for 2014/15 and a progress report to Members before considering the release of further funding for 2015/16. This approach was agreed.</p> <p>Resolved that(2) draw-down of £272,400 for 2015/16 be deferred, pending consideration of a progress report nearer to 2015/16.</p> | The matter is under active consideration. | Executive Director of Education and Care Services | Please see opposite. |

| | | | | |
|--|--|--|---|---|
| 26th November 2014 | | | | |
| 100. Council Tax Support/Reduction – 2015/16 | The Leader requested a further report on the implications of increasing the percentage of council tax that claimants had to pay themselves from 2016/17 onwards. | It is anticipated that the further report will be provided to the Executive meeting in June 2015. | Director of Finance | Report expected to be provided to the Executive meeting in June 2015. |
| 11th February 2015 | | | | |
| 138. Community Services Integration | It was agreed that options towards an integrated community health and care service would be explored with the borough's existing community health services provider, Bromley Health Care (BHC), and their commissioners, Bromley Clinical Commissioning Group (BCCG). Recommendations could then be provided to Members in June 2015. | It is intended to publish a report with the agenda for the Executive's meeting in June 2015. | Executive Director of Education and Care Services | Report for the Executive to be provided two weeks prior to the Executive meeting. |
| 139. Deprivation of Liberty Safeguards Update | To meet requirements of the Supreme Court Judgement, additional funding of £163,345 was approved for 2014/15. It was also recommended that £628,040 be included in the budget for 2015/16. For 2015/16, due to the uncertainty of potential costs, half of the funding should remain in contingency and be subject to a further report in the new financial year. | A further report could be expected in September 2015 related to the remaining funding in contingency | Executive Director of Education and Care Services | Possibly September 2015 |

| | | | | |
|---|--|---|--|--------------------------------|
| <p>141. Long Term Care for Older People – Extra Care Housing Supply and Demand</p> | <p>It was proposed to begin consultation with staff on decommissioning Lubbock House as an extra care housing scheme for older people. Consultation with tenants would also be undertaken by Affinity Sutton. A further report on the outcome of consultations would be provided to Members.</p> | <p>A report on the outcome of consultation will be presented in April 2015.</p> | <p>Executive Director of Education and Care Services</p> | <p>Please see opposite.</p> |
| <p>146. The Future of Anerley Town Hall</p> | <p>Before a final decision is made, officers to report back with additional details including firm costs for subsidence repairs and IT.</p> | <p>A further report is intended for the Executive's meeting in May 2015.</p> | <p>Director of Regeneration and Transformation</p> | <p>As per update opposite.</p> |
| <p>153/1 Direct Care Update</p> | <p>Recommendations from a review of the Reablement Service to be reported back to Executive</p> | <p>It is anticipated that stage 1 & 2 of the project will take about three months to complete. It is expected that a fully costed business case with recommendations will go to Executive in July 2015.</p> | <p>Executive Director of Education and Care Services</p> | <p>Please see opposite.</p> |

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Report No.
FSD15024

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Executive

Date: 24th March 2015

Decision Type: Non-Urgent Executive Non-Key

Title: **BUDGET MONITORING 2014/15**

Contact Officer: James Mullender, Finance Manager,
Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: Borough Wide

1. Reason for report

- 1.1 This report provides the fifth budget monitoring position for 2014/15 based on expenditure and activity levels up to the end of January 2015. The report also highlights any significant variations which will impact on future years as well as any early warnings that could impact on the final year end position.
-

2. **RECOMMENDATIONS**

2.1 **Executive are requested to:**

- (a) consider the latest financial position;
- (b) note that a projected net underspend on services of £478k is forecast based on information as at January 2015;
- (c) consider the comments from the Director of Education, Care and Health Services, the Director of Transformation and Regeneration and the Director of Environment and Community Services as detailed in sections 3.2, 3.3 and 3.4;
- (d) agree to release £120k grant funding from Central Contingency for Helping People Home as detailed in para 3.5.2;
- (e) note a projected decrease to the General Fund balance of £1.1m to £18.9m as detailed in para 3.6.1;
- (f) note the Prior Year Adjustments totalling £1,220k as detailed in section 3.7;
- (g) note the Early Warnings as detailed in section 3.8;

- (h) note the full year cost pressures of £5.1m as detailed in section 3.9;**
- (i) agree the creation of an earmarked reserve for surplus rental income generated from properties used for temporary accommodation purchased with Payment In Lieu funds as detailed in section 4.3;**
- (j) recommend to Council the creation of a Financial Planning/Risk Reserve as detailed in section 4.4;**
- (k) agree the creation of an earmarked reserve for the Welfare Fund as detailed in section 4.5;**
- (l) identify any issues that should be referred to individual Portfolio Holders for further action.**

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £125m (excluding GLA precept)
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
-

Staff

1. Number of staff (current and additional): 3,760 (per 2014/15 Budget), which includes 1,777 for delegated budgets to schools.
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Statutory requirement. The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000; and the Local Government Act 2002.
 2. Call-in: Call-in is applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2014/15 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
-

Ward Councillor Views

3. Have Ward Councillors been asked for comments? N/A.
4. Summary of Ward Councillors comments: Council wide

3 COMMENTARY

3.1.1 The table below provides a breakdown of the 2014/15 budget and projected spend as at end of January 2015:-

| Portfolio | 2014/15 Original Budget £'000 | 2014/15 Latest Budget £'000 | 2014/15 Projected Outturn £'000 | 2014/15 Variation £'000 |
|-----------------------------------|--|--|--|--|
| Care Services | 104,941 | 106,345 | 107,277 | 932 |
| Education | 4,649 | 4,965 | 5,064 | 99 |
| Environment | 32,699 | 33,572 | 33,393 | Cr 179 |
| Public Protection & Safety | 2,526 | 2,529 | 2,492 | Cr 37 |
| Renewal & Recreation | 8,370 | 8,772 | 8,707 | Cr 65 |
| Resources | 39,218 | 40,148 | 38,920 | Cr 1,228 |
| Total Controllable Budgets | 192,403 | 196,331 | 195,853 | Cr 478 |
| Capital Charges and Insurance | 16,827 | 16,943 | 16,943 | 0 |
| Non General Fund Recharges | Cr 916 | Cr 916 | Cr 916 | 0 |
| Total Portfolio Budgets | 208,314 | 212,358 | 211,880 | Cr 478 |
| Contingency Provision | 11,850 | 9,360 | 5,826 | Cr 3,534 |
| Interest on General Fund Balances | Cr 1,591 | Cr 1,591 | Cr 2,691 | Cr 1,100 |
| Other Central Items | Cr 6,308 | Cr 6,308 | Cr 389 | 5,919 |
| General Government Grants | Cr 83,861 | Cr 83,861 | Cr 83,859 | 2 |
| Collection Fund Surplus | Cr 2,964 | Cr 2,964 | Cr 2,964 | 0 |
| Prior Year Adjustments | 0 | 0 | Cr 1,220 | Cr 1,220 |
| Total Central Items | Cr 82,874 | Cr 85,364 | Cr 85,297 | 67 |
| Total Variation | 125,440 | 126,994 | 126,583 | Cr 411 |

3.1.2 A detailed breakdown of the Latest Approved Budgets and Projected Outturn across each Portfolio, together with an analysis of variations, is shown in Appendix 2.

3.2 Comments from the Director of Education, Care and Health Services

Care Portfolio:

3.2.1 Members will know that across this year, containing costs has proved a challenge, particularly in our older people's services. We end the year some 50 placements over budget but actually with no nett increase across the year in spite of the issues with our partner, King's College Hospital. These residents account for a significant proportion of the pressures moving into next year. We are content that Panel processes are now robust and we are grateful to the Members who have joined panels from time to time and helped with the improvement process.

3.2.2 In the coming year, the new front door arrangement will continue to contain and we expect divert residents early from our statutory services giving individuals more control over their lives. We continue to see outstanding work from our commissioners, continuing to secure outstanding value for money in our placements and making a significant contribution to ameliorating some of the pressures.

3.2.3 Housing continues to exert very considerable pressures on our budgets and although covered by contingencies following the very early recognition of these pressures, Members will note that we are not predicting any significant changes in pressures from those seeking temporary accommodation and so it is important that Manorfields comes on stream at the earliest opportunity to help control these pressures.

3.2.4 Children's Social Care has returned an overall balanced budget. However, we continue to see pressures from the unfunded pressures passed to local government from Whitehall including care leavers and those with no recourse to public funds. Once again, we see very good value for money in our placement costs, and, for a number of children, strong financial support from the CCG.

Education Portfolio:

3.2.5 Managers in Education have continued to control their budgets effectively, and in very challenging circumstances. The appendices give further detail of how costs have been contained across the year. Schools continue to benefit from funding changes which will see more money in schools' budgets in the coming year than ever before.

3.2.6 Grant condition changes within Adult Education make it increasingly difficult to manage cost pressures in such a way as to fulfil the grant conditions. A review remains in place to look at the best way forward for this very high quality service, but the nature of our provision may need to change in the coming year to better reflect our local priorities. Market testing did not find any particular solution and officers will need to return to the PDS later in the year with further options for the Portfolio Holder.

3.2.7 The implementation of the SEND reforms continues to go well. However, it is the case that we have high numbers of students with statements and we should see this number decline through the review process as schools accept greater responsibility for meeting individual needs. We also continue to look across to our partners at the CCG to ensure health needs are fully addressed in all new plans and have had some very good support. Nonetheless, Members will want to be aware that several very high cost placements have been required in the latter half of the year, increasing pressures of budgets resulting in a small projected overspend. Management continue to monitor these provisions.

3.3 Comments from the Director of Transformation and Regeneration (Resources Portfolio)

3.3.1 The £430k overspend within Strategic Property Services mainly relates to a shortfall in rental income and includes the projection for investment income which is a shortfall of £792k.

3.3.2 The Regeneration Investment Fund for investment in property (now part of the Economic Development and Investment Fund), was created to identify key investment opportunities which would also assist in the regeneration ambitions of the Council. The target financial return for this fund is £2.025m in 14/15.

3.3.3 Four properties (72 - 76, 95, 98, 104 - 108 High Street) along with 145-153 High Street have been purchased costing £28.7m. The FYE annual income expected from these properties is £1,669k. A further property was recently purchased for £3.75m, which will achieve rental income of £250k in the full year and £42k in 2014-15. The total projected income for 2014/15 is £1,233k resulting in a shortfall of £792k. The full year budget short fall has reduced to £106k and further acquisitions are being considered. The full rent contractually payable under the leases is being received and further increases cannot be achieved until future rent reviews become due.

3.3.4 Bromley should receive additional rent share income from The Glades once the Queens Gardens development is completed. INTU estimate that this additional income would be £17k in 2015, £78k in 2016, £82k in 2017, rising to £93k in 2020. Bromley's contribution

to this project will be funded from the Economic Development and Investment Fund and a sum of £990k has been allocated for this purpose.

3.4 Comments from the Executive Director of Environment and Community Services

Environment Portfolio:

- 3.4.1 Overall, the controllable budget for the Environment Portfolio is projected to be underspent by £179k.
- 3.4.2 The projected overspend in Waste Services is primarily due to the decline in the tonnage of paper collected and the increase in the tonnage of residual waste collected. Both of these factors are reflected on the national stage and are largely outside our control. Additional net costs of £743k are included in the 2015/16 budget to reflect the full year effect of these variances.
- 3.4.3 The overspend of £321k within Waste Services is more than offset by underspends of Cr £500k across other areas of the portfolio budget.

Renewal and Recreation Portfolio

- 3.4.4 Overall, the controllable budget for the Renewal and Recreation Portfolio is projected to be underspent by £65k.
- 3.4.5 As part of the budget setting process for 2014/15 a budget savings target of £150k was included in the culture budget. To date, £90k savings have been identified and an under spend within staffing has left a net balance of £40k. Further savings have now been identified to ensure that the culture budget will be balanced from April 2015 onwards.
- 3.4.6 The full years savings of £300k built into the library budget will not be realized until April 2015 due to two factors; the first is that a detailed consultation has been undertaken during the last few months with both the public and the library staff over options for reducing opening hours and the second is that in order to achieve the reduction in staffing, it is necessary to install the RFID system in the remaining 9 libraries. This installation will be completed during the next month and therefore only part year savings of £100k will be achieved for 2014/15.
- 3.4.7 The overspend of £220k within Recreation is more than offset by an underspend of Cr £285k within Planning.

3.5 Central Contingency Sum

- 3.5.1 Details of the variations in the 2014/15 Central Contingency are included in Appendix 3.
- 3.5.2 A late notification of grant totalling £120k is held in Central Contingency for Helping People Home. Executive are requested to approve release of this funding to Care Services Portfolio to enable it to be spent by the end of the financial year.

This new ring-fenced grant was announced at the end of January 2015 by the Department for Communities and Local Government (DCLG) and can only be used for the following purposes:

- a) help people return to their home from hospital when it is appropriate to do so
- b) reduce the risk of avoidable admissions or readmissions into hospital from the over 65's or those in receipt of social care

The grant has to be spent by the end of the financial year; any unspent grant funding will have to be returned. In order to access the grant regular reporting back to DCLG needs to take place on the type of interventions and the impact that they have. Officers have put plans in place in order to be able draw on this funding if agreed.

- 3.5.3 A sum of £558k has been set aside from underspends in the Central Contingency for the purchase of three split-bodied waste vehicles, as approved by Council on 23rd February 2015.
- 3.5.4 A sum of £77k has been set aside from underspends in Central Contingency to fund the Bromley Youth Music Trust Reserve to enable savings in the 2015/16 budget to be realised, also approved by Council on 23rd February 2015.
- 3.5.5 The 2014/15 Central Contingency contains various provisions which reflect uncertainty around potential costs, grants and service pressures. As detailed in Appendix 3, a total variation of £3.5m credit is currently expected, as some of these provisions will no longer be required in this financial year. Subject to approval, this will be used to contribute to a Financial Planning/Risk Reserve as detailed in section 4.4.
- 3.5.6 As in previous years, any further underspends may be utilised to provide one-off funding for the Council's Investment Fund, which is used to generate ongoing income for the Council.

3.6 General Fund Balances

- 3.6.1 The level of general reserves is currently projected to reduce by £1.1m to £18.9m at 31st March 2015. Further details are provided below:

| | 2014/15 |
|--|----------------|
| | Projected |
| | Outturn |
| | £'000 |
| General Fund Balance at 1st April 2014 | -20,000 |
| Total Variation (para 3.1.1) | -411 |
| Adjustment to Balances: | |
| Carry forwards (funded from 2013/14 underspends) | 1,554 |
| Projected General Fund Balance 31st March 2015 | -18,857 |

3.7 Prior Year Adjustments resulting in a Credit Provision in the Accounts of £1,220k

- 3.7.1 Provisions made in prior years for Children's Social Care are no longer required and have therefore been released in 2014/15 resulting in a credit of £620k. This includes:
- 1) Adjustments to budgets due to DSG contribution movements have been resolved and this provision will no longer be required.
 - 2) General provisions to cover late notifications of placements/inaccurate data collection

3.7.2 Provisions made in prior years for Learning Disabilities are no longer required and have therefore been released in 2014/15 resulting in a credit of £600k. This mainly relates to a dispute with a provider regarding back payment of their incorrect invoicing which has now been resolved and is therefore no longer required.

3.8 Early Warnings

3.8.1 Split-bodied waste vehicles

Due to the time required to procure the three split-bodied waste vehicles, it is likely that that a request will be made to the Executive to carry forward the £558k funding allocated from underspends in contingency as detailed in para 3.5.3 above.

3.8.2 Repairs and maintenance

A total net underspend of £252k is currently projected on repairs and maintenance budgets across all portfolios. Since 2001, the Chief Property Officer has had delegated authority to carry forward revenue underspends on landlord building maintenance on the basis that he will continue to seek to contain total expenditure within approved annual budget, As in previous years, it is anticipated that some or all of this underspend will be carried forward to 2015/16.

3.9 Impact on Future Years

3.9.1 The report identifies expenditure pressures which could have an impact on future years. The main areas to be considered at this stage are summarised in the following table:

| | | | | 2014/15 | 2015/16 |
|---|--|--|--|----------------|----------------|
| | | | | Budget | Impact |
| | | | | £'000 | £'000 |
| Care Services Portfolio | | | | | |
| Assessment & Care Management | | | | 24,028 | 1,916 |
| Learning Disabilities - Adult Social Care | | | | 6,633 | 233 |
| Childrens Placements | | | | 28,811 | 268 |
| Adults with Learning Disabilities | | | | 23,965 | 369 |
| Adults with Mental Health Needs | | | | 6,349 | 70 |
| Information and Early Intervention | | | | 1,385 | 41 |
| | | | | | 2,897 |
| Education Portfolio | | | | | |
| Adult Education | | | | Cr 601 | 269 |
| Education Services Grant | | | | Cr 2,732 | 920 |
| | | | | | 1,189 |
| Resources Portfolio | | | | | |
| Operational Property Services | | | | 371 | 191 |
| Investment Income | | | | Cr 6,356 | 106 |
| Mayoral | | | | 178 | Cr 32 |
| | | | | | 265 |
| Environment Portfolio | | | | | |
| Waste | | | | 8,573 | 700 |
| TOTAL | | | | | |
| | | | | | 5,051 |

3.10 The Schools' Budget

3.10.1 There is currently a projected overspend of £257k on the Schools' Budget. Overspends and underspends must be carried forward to the following year's Schools' Budget and

have no impact on the Council's General Fund. This projected overspend will be carried forward and offset against the £8.9m underspend carried forward from previous years. Details of the 2014/15 monitoring for the Schools' Budget will be reported to the Education Portfolio Holder.

3.11 Interest on Balances

3.11.1 A rate of 1% was assumed in the 2014/15 budget for interest on new investments and the budget for net interest earnings was set at £1,591k. Interest rates still show no real sign of increasing and Capita now expect the Bank of England base rate to begin to rise slowly from early in 2016. There have been no improvements to counterparty credit ratings, which means that the restrictions to investment opportunities that followed ratings downgrades in recent years have still been in place. However, the increases in the limits for the two part-nationalised banks (Lloyds and RBS) approved by the Council in October, together with higher rates from longer-term deals placed with other local authorities, higher average balances than anticipated and the strong performance of the CCLA Property Fund investment, has resulted in a considerable improvement in interest earnings in 2014/15. At this stage, it is estimated that the 2014/15 outturn for interest earnings will be around £1.1m above budget. A total of £10m was invested in two diversified growth funds in late-December and, if this produces good returns in the March quarter, the surplus could be larger. Additional income of £1.2m is included in the 2015/16 budget.

4 EARMARKED RESERVES

4.1 Investment Fund and Growth Fund (formerly Economic Development & Investment Fund)

4.1.1 A detailed analysis of the former Economic Development & Investment Fund, dating back to its inception in September 2011, was included in a report to the September meeting ("Acquisition of Investment Properties"). Total funding of £66.1m was placed in that earmarked reserve to contribute towards the Council's economic development and investment opportunities. In November 2014, £10m was set aside in a new reserve (The Growth Fund) to support growth initiatives in Biggin Hill, the Cray Valley and Bromley Town Centre. A total of £34.4m has been allocated to date from the former Economic Development and Investment Fund (now known as the Investment Fund), mainly on the acquisition on investment properties, and the uncommitted balances currently stand at £21.7m for the Investment Fund and £10m for the Growth Fund.

4.1.2 The 'Civic Centre for the Future' report elsewhere on the agenda requests Executive to approve an allocation of £50k from the Investment Fund for potential work required around the Civic Centre site.

4.2 Invest to Save Fund

4.2.1 This earmarked reserve was approved by Council in October 2011, with an initial allocation of £14m, to enable "loans" to be provided for Invest to Save initiatives, with advances to be repaid within a "reasonable" period and on-going revenue savings to contribute towards reducing the budget gap. In February 2013, the Executive agreed that the one-off Council Tax Freeze grant in 2012/13 be added to the Fund, bringing the total balance up to £17,304k. Five schemes have been approved to date and, as at 31st March 2014, the actual balance on the Fund stood at £15,975k. More detail on this was provided to the June meeting in the Final Accounts report.

4.3 Payment in Lieu Reserve for Temporary Accommodation

- 4.3.1 On 24th July 2013, Executive approved the use of £1m Affordable Housing Payment In Lieu (PIL) funds for the purchase of properties for Temporary Accommodation. In total five properties (all 2 bedrooms) have been purchased; three in January 2014 and two in April 2014. These properties are managed on behalf of LBB by Orchard and Shipman.
- 4.3.2 The three January purchased properties were fit to be used as temporary accommodation at the end of May 2014 with one being occupied in May 2014 and the other two in July 2014. One of the April purchased properties was leased out straight after purchase and the other one was ready at the start of June and leased at the end of June 2014. All five properties are now being fully utilised, and are projected to generate a part-year net surplus rental income of £28k.
- 4.3.3 Executive are requested to approve the creation of an earmarked reserve for the net surplus income, to be used for the provision of further affordable housing and repairs and maintenance, as detailed in the original report.

4.4 Financial Planning/Risk Reserve

- 4.4.1 The 2015/16 council tax report identified the latest financial projections and an increasing future year's budget gap due to the impact of inflation, service cost pressures and ongoing significant reductions in government funding during this austerity period. After allowing for savings reflected in the 2015/16 Budget further savings of over £50m per annum are required by 2018/19. Despite the recent significant improvements in the current economic situation the high level of public debt and the government's plans to achieve a budget surplus will lead to significant further reductions in government funding particularly as health and education remain 'protected' by central government (even if an alternative Government was elected there would be plans to eliminate the national budget deficit).
- 4.4.2 A recent survey indicated that more than half of council's say they will not have enough money to provide essential services in the next financial year. The Institute for Fiscal Studies advise that the worst of UK spending cuts are still to come (with 60% of cuts are still to come and public spending, as a percentage of GDP, set to fall to its lowest level for 80 years by the end of the decade).
- 4.4.3 This report identifies under spends in 2014/15 relating to prior year adjustments, early achievement of savings as part of 2015/16 Budget, departmental spend and the council's central contingency sum. The under spends from the central contingency sum mainly relate to ongoing action to contain growth pressures, stringent cost controls, effective management of risk, effective use of government funding and meeting income targets.
- 4.4.4 In previous years Members have set aside monies from overall underspends to support funding of invest to save initiatives, support economic growth and provide investment monies to achieve an increase in sustainable income for the Council which helps protect key services.
- 4.4.5 The 2014/15 final outturn report in June will seek to identify any resources available to increase the Council's Investment Fund. There remains a need to also consider using monies from the overall underspends to provide a new Financial Planning/Risk Reserve. The purpose of this reserve would be to provide a buffer to deal with the impact of the ongoing budget gap and possible utilisation of the reserve to support future years

budgets. Although this reflects one off monies, it will provide transitional support given the transformational challenges facing the Council and the need to become an organisation with considerable fewer resources in the future. The future utilisation of the reserve to support future year's budgets will be an issue for Executive.

- 4.4.6 Executive are requested to recommend to Council the creation of a Financial Planning/Risk Reserve with funding of £5m from the 2014/15 underspends. Any request for funding relating to the Council's Investment Fund will be reported to Executive in June as part of the 2014/15 Outturn report.
- 4.4.7 These actions will help ensure that the council is better placed to meet the future years budget gap and any future opportunity for increasing investment income will also help provide a more sustainable financial outcome for the future.

4.5 Welfare Fund Reserve

- 4.5.1 Responsibility for the Welfare Fund transferred from the DWP in April 2013, with funding announced for 2013/14 and 2014/15. In December 2013, the Local Government Settlement indicated that the £978k funding in 2014/15 would not continue into 2015/16.
- 4.5.2 In considering the future of the Welfare Fund in July 2014, the Portfolio Holder for Resources approved the creation of a 'White Goods and Furniture Scheme'. This reflects a restriction of the current scheme, and £450k funding has been included in the 2015/16 budget on the basis that these costs will be incurred by the Council in meeting its statutory housing responsibilities.
- 4.5.3 Executive previously approved a carry forward of underspends in the welfare fund from 2013/14 of £442k. The scheme has also been restricted in the current year to reflect the ongoing loss of future funding resulting in an estimated underspend of £400k in 2014/15.
- 4.5.4 The Government announced in January 2015 the reduction in discretionary housing payments of £174k for 2015/16 (reduction of 27%). The planned implementation of universal credit from December 2015 combined with loss of government funding for the welfare fund and reductions in discretionary housing payments funding whilst the national welfare reforms continue create a significant financial risk to the Council. On that basis, Executive are requested to agree to create a Welfare Fund reserve to help mitigate against such financial risks over the next few years as the welfare reforms continue.
- 4.5.5 Executive are requested to approve the creation of a Welfare Fund earmarked reserve for this scheme, funded from the underspend in 2014/15 (currently projected to be £400k), and the £442k underspend carried forward from 2013/14.

5. POLICY IMPLICATIONS

- 5.1 "Building a Better Bromley" refers to the Council's intention to remain amongst the lowest Council Tax levels in Outer London and the importance of greater focus on priorities.
- 5.2 The "2014/15 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2014/15 to minimise the risk of compounding financial pressures in future years.

6. FINANCIAL IMPLICATIONS

- 6.1 These are contained within the body of the report with additional information provided in the appendices

| | |
|---|---|
| Non-Applicable Sections: | Legal, Personnel |
| Background Documents: (Access via Contact Officer) | Financial Management Budget Monitoring files across all Portfolios. Provisional final Accounts - Executive 10 th June 2014 Draft 2014/15 Budget and Update on Council's Financial strategy 2015/16 to 2017/18 - Executive 15 th January 2014/15 Budget Monitoring file held by Technical and Control Finance Section |

GENERAL FUND - PROJECTED OUTTURN FOR 2014/15

| Portfolio | 2014/15 Original Budget £'000 | Budget Variations allocated in year # £'000 | 2014/15 Latest Approved Budget £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Variation previously reported to Exec 11/02/15 £'000 |
|---|--|---|--|--|--------------------|--|
| Care Services | 104,941 | 1,404 | 106,345 | 107,277 | 932 | 1,270 |
| Education (incl. Schools' Budget) | 4,649 | 316 | 4,965 | 5,064 | 99 | Cr 41 |
| Environment | 32,699 | 873 | 33,572 | 33,393 | Cr 179 | Cr 89 |
| Public Protection & Safety | 2,526 | 3 | 2,529 | 2,492 | Cr 37 | Cr 35 |
| Renewal and Recreation | 8,370 | 402 | 8,772 | 8,707 | Cr 65 | Cr 9 |
| Resources | 39,218 | 930 | 40,148 | 38,920 | Cr 1,228 | Cr 224 |
| Total Controllable Budgets | 192,403 | 3,928 | 196,331 | 195,853 | Cr 478 | 872 |
| Capital and Insurances (see note 2) | 16,827 | 116 | 16,943 | 16,943 | 0 | 0 |
| Non General Fund Recharges | Cr 916 | 0 | Cr 916 | Cr 916 | 0 | 0 |
| Total Portfolios (see note 1) | 208,314 | 4,044 | 212,358 | 211,880 | Cr 478 | 872 |
| Central Items: | | | | | | |
| Interest on General Fund Balances | Cr 1,591 | 0 | Cr 1,591 | Cr 2,691 | Cr 1,100 | Cr 1,100 |
| Contingency Provision (see Appendix 3) | 11,850 | Cr 2,490 | 9,360 | 5,826 | Cr 3,534 | Cr 1,802 |
| Other central items | | | | | | |
| Reversal of Net Capital Charges (see note 2) | Cr 15,735 | 0 | Cr 15,735 | Cr 15,735 | 0 | 0 |
| Contribution to Economic Development & Investment Fund and Other Reserves | 8,004 | 0 | 8,004 | 8,004 | 0 | 0 |
| Reserve Approved by Full Council 23rd February 2015 | | | | | | |
| Bromley Youth Music Trust | 0 | 0 | 0 | 77 | 77 | 0 |
| Health and Social Care Integrated Commissioning expenditure | 0 | 0 | 0 | 4,500 | 4,500 | 0 |
| Health and Social Care Integrated Commissioning income | 0 | 0 | 0 | Cr 4,500 | Cr 4,500 | 0 |
| New Reserves - subject to approval | | | | | | |
| Financial Planning/Risk Reserve | 0 | 0 | 0 | 5,000 | 5,000 | 0 |
| Welfare Fund Reserve | 0 | 0 | 0 | 842 | 842 | 0 |
| Levies | 1,423 | 0 | 1,423 | 1,423 | 0 | 0 |
| Total other central items | Cr 6,308 | 0 | Cr 6,308 | Cr 389 | 5,919 | 0 |
| Prior Year Adjustments | | | | | | |
| Children's Social Care | 0 | 0 | 0 | Cr 620 | Cr 620 | 0 |
| Learning Disabilities | 0 | 0 | 0 | Cr 600 | Cr 600 | 0 |
| Total All Central Items | 3,951 | Cr 2,490 | 1,461 | 1,526 | 65 | Cr 2,902 |
| Bromley's Requirement before balances | 212,265 | 1,554 | 213,819 | 213,406 | Cr 413 | Cr 2,030 |
| Carry Forwards from 2013/14 (see note 3) | 0 | Cr 1,147 | Cr 1,147 | 0 | 1,147 | 1,147 |
| Carry Forward from 2013/14 Delegated Authority - R&M | 0 | Cr 407 | Cr 407 | 0 | 407 | 407 |
| Adjustment to Balances | 0 | 0 | 0 | Cr 1,143 | Cr 1,143 | 474 |
| Revenue Support Grant | Cr 42,031 | 0 | Cr 42,031 | Cr 42,031 | 0 | 0 |
| Business Rates Retention | Cr 35,265 | 0 | Cr 35,265 | Cr 35,265 | 0 | 0 |
| New Homes Bonus | Cr 5,040 | 0 | Cr 5,040 | Cr 5,038 | 2 | 2 |
| C Tax Freeze Grant | Cr 1,381 | 0 | Cr 1,381 | Cr 1,381 | 0 | 0 |
| Local Services Support Grant | Cr 144 | 0 | Cr 144 | Cr 144 | 0 | 0 |
| Collection Fund Surplus | Cr 2,964 | 0 | Cr 2,964 | Cr 2,964 | 0 | 0 |
| Bromley's Requirement | 125,440 | 0 | 125,440 | 125,440 | 0 | 0 |
| GLA Precept | 37,133 | 0 | 37,133 | 37,133 | 0 | 0 |
| Council Tax Requirement | 162,573 | 0 | 162,573 | 162,573 | 0 | 0 |

| | |
|--|--------------|
| # Budget Variations allocated to portfolios in year consists of: | £'000 |
| 1) Carry forwards from 2013/14 (see note 3) | 1,554 |
| 2) Allocations from the central contingency provision (see Appendix 3) | 2,490 |
| | <u>4,044</u> |

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

| | 2014/15 Original Budget £'000 | Budget Variations allocated in year # £'000 | 2014/15 Latest Approved Budget £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Variation previously reported to Executive £'000 |
|------------------------------------|--|---|--|--|--------------------|--|
| Education Care & Health Services | 130,800 | 1,741 | 132,541 | 133,586 | 1,045 | 1,246 |
| Environmental & Community Services | 54,240 | 1,334 | 55,574 | 55,395 | Cr 179 | 83 |
| Chief Executive's Department | 23,274 | 969 | 24,243 | 22,899 | Cr 1,344 | Cr 457 |
| | <u>208,314</u> | <u>4,044</u> | <u>212,358</u> | <u>211,880</u> | <u>Cr 478</u> | <u>872</u> |

2) **Reversal of Net Capital Charges**

This is to reflect the technical accounting requirements contained in CIPFA's Code of Practice for Local Authority Accounting and has no impact on the Council's General Fund.

3) **Carry Forwards from 2013/14**

Carry forwards from 2013/14 into 2014/15 totalling £1,554k were approved by the Executive and under the delegated authority of the Finance Director. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2013/14" report.

Care Services Portfolio Budget Monitoring Summary

| 2013/14 Actuals | Division Service Areas | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|-----------------|---|-------------------------------|-------------------------------|---------------------------------|-----------------|-------|-------------------------------|------------------------|
| £000's | | | | | | | | |
| | EDUCATION CARE & HEALTH SERVICES DEPARTMENT | | | | | | | |
| | Adult Social Care | | | | | | | |
| 18 | AIDS-HIV Service | 0 | 0 | 0 | 0 | | 0 | 0 |
| 30,925 | Assessment and Care Management Income from Court of Protection | 25,475 | 24,028 | 26,063 | 2,035 | 1 | 2,160 | 2,026 |
| | Management action - BCF contribution | | | Cr 110 | Cr 110 | 1 | Cr 110 | Cr 110 |
| 3,897 | Direct Services | 3,269 | 3,331 | 3,304 | Cr 27 | 4 | Cr 38 | 0 |
| 2,868 | Learning Disabilities Care Management | 2,052 | 3,154 | 3,201 | 47 | 1 | 86 | 414 |
| 1,694 | Learning Disabilities Day and Short Breaks Service | 2,100 | 2,096 | 1,960 | Cr 136 | 2 | Cr 150 | Cr 66 |
| 988 | Learning Disabilities Housing & Support | 1,562 | 1,383 | 1,268 | Cr 115 | 3 | Cr 102 | Cr 115 |
| 40,390 | | 34,458 | 33,992 | 35,336 | 1,344 | | 1,496 | 2,149 |
| | Operational Housing | | | | | | | |
| Cr 1 | Enabling Activities | Cr 1 | Cr 1 | Cr 1 | 0 | | 0 | 0 |
| Cr 778 | Housing Benefits | Cr 1,662 | Cr 1,662 | Cr 1,662 | 0 | | 0 | 0 |
| 4,571 | Housing Needs | 4,576 | 5,778 | 5,961 | 183 | 5 | 0 | 77 |
| | Housing funds held in contingency | | | | | | | Cr 77 |
| 3,792 | | 2,913 | 4,115 | 4,298 | 183 | | 0 | 0 |
| | Strategic and Business Support Service | | | | | | | |
| 1,945 | Strategic & Business Support | 2,198 | 2,191 | 2,005 | Cr 186 | 6 | Cr 131 | 0 |
| 331 | Learning & Development | 394 | 394 | 267 | Cr 127 | 6 | Cr 123 | 0 |
| 2,276 | | 2,592 | 2,585 | 2,272 | Cr 313 | | Cr 254 | 0 |
| | Children's Social Care | | | | | | | |
| 14,413 | Care and Resources | 17,238 | 17,223 | 17,433 | 210 | | 170 | 70 |
| | Management action - Restriction of placements | | | Cr 200 | Cr 200 | | Cr 200 | 0 |
| 1,544 | Safeguarding and Quality Assurance | 1,402 | 1,426 | 1,388 | Cr 38 | | Cr 38 | 0 |
| 3,373 | Safeguarding and Care Planning | 3,499 | 3,499 | 3,499 | 0 | 7 | 0 | 0 |
| 3,615 | Referral and Assessment | 3,413 | 3,413 | 3,650 | 237 | | 247 | 198 |
| 765 | Bromley Youth Support Programme | 817 | 817 | 817 | 0 | | 0 | 0 |
| 4,025 | Children's Disability Service | 2,433 | 2,433 | 2,402 | Cr 31 | | Cr 76 | 0 |
| 27,735 | | 28,802 | 28,811 | 28,989 | 178 | | 103 | 268 |
| | Commissioning | | | | | | | |
| 3,311 | Commissioning | 3,105 | 3,359 | 3,262 | Cr 97 | 8 | 34 | 0 |
| 0 | Information & Early Intervention | 1,278 | 1,385 | 1,426 | 41 | | 41 | 41 |
| 22,327 | Learning Disabilities | 24,311 | 23,965 | 23,525 | Cr 440 | 1 | Cr 350 | 369 |
| 4,776 | Mental Health Services | 5,644 | 6,349 | 6,678 | 329 | 1 | 431 | 504 |
| | Mental Health Services - Management action | | | Cr 181 | Cr 181 | | Cr 108 | Cr 434 |
| 2,843 | Supporting People | 2,060 | 2,006 | 1,860 | Cr 146 | 9 | Cr 146 | 0 |
| 10,299 | NHS Support for Social Care | | | | | | | |
| | - Expenditure | 4,548 | 6,528 | 6,528 | 0 | | 0 | 0 |
| Cr 10,299 | - Income | Cr 4,548 | Cr 6,528 | Cr 6,528 | 0 | | 0 | 0 |
| 33,257 | | 36,398 | 37,064 | 36,570 | Cr 494 | | Cr 98 | 480 |
| | Public Health | | | | | | | |
| 12,229 | Public Health | 12,230 | 12,230 | 11,668 | Cr 562 | | Cr 436 | 0 |
| Cr 12,601 | Public Health - Grant Income | Cr 12,601 | Cr 12,601 | Cr 12,039 | 562 | | 436 | 0 |
| Cr 372 | | Cr 371 | Cr 371 | Cr 371 | 0 | | 0 | 0 |
| 107,078 | TOTAL CONTROLLABLE ECHS DEPT | 104,792 | 106,196 | 107,094 | 898 | | 1,247 | 2,897 |
| 2,398 | TOTAL NON CONTROLLABLE | 1,783 | 1,776 | 1,789 | 13 | | 16 | 0 |
| 9,825 | TOTAL EXCLUDED RECHARGES | 10,893 | 10,893 | 10,893 | 0 | | 0 | 0 |
| 119,301 | TOTAL ECHS DEPARTMENT | 117,468 | 118,865 | 119,776 | 911 | | 1,263 | 2,897 |
| | Environmental Services Dept - Housing | | | | | | | |
| 179 | Housing Improvement | 148 | 148 | 182 | 34 | 10 | 23 | 40 |
| | Management action to meet FYE | | | | | | | Cr 40 |
| 179 | TOTAL CONTROLLABLE FOR ENV SVCES DEPT | 148 | 148 | 182 | 34 | | 23 | 0 |
| Cr 325 | TOTAL NON CONTROLLABLE | Cr 300 | Cr 300 | Cr 300 | 0 | | 0 | 0 |
| 58 | TOTAL EXCLUDED RECHARGES | 354 | 354 | 354 | 0 | | 0 | 0 |
| Cr 88 | TOTAL FOR ENVIRONMENTAL SVCES DEPT | 202 | 202 | 236 | 34 | | 23 | 0 |
| 119,213 | TOTAL CARE SERVICES PORTFOLIO | 117,670 | 119,067 | 120,012 | 945 | | 1,286 | 2,897 |

| Memorandum Item | | | | | | | | | | |
|------------------------|---|-----------|------------|-----------|------------|-----------|------------|------------|------------|----------|
| | Invest to Save projects: Savings against business case | | | | | | | | | |
| 30 | Dementia Investment Plan | Cr | 515 | Cr | 515 | Cr | 237 | 278 | 278 | 0 |
| 216 | PD Investment Plan | Cr | 345 | Cr | 345 | Cr | 66 | 279 | 279 | 0 |
| 246 | Invest to Save projects | Cr | 860 | Cr | 860 | Cr | 303 | 557 | 557 | 0 |

Reconciliation of Latest Approved Budget **£'000**

2014/15 Original Budget **117,670**

| | | | | | |
|--|----|--|--|--|-----------------------|
| Local Reform and Community Voices - IMHA (Exec 2/4/14): | | | | | |
| - grant related expenditure 2014/15 | | | | | 64 |
| - grant related expenditure 2014/15 | Cr | | | | 64 |
| Local Reform and Community Voices - DOLS (Exec 10/6/14): | | | | | |
| - grant related expenditure 2014/15 | | | | | 24 |
| - grant related expenditure 2014/15 | Cr | | | | 24 |
| Adult Social Care Investment Proposal - Demand Management (Exec 22/7/14) | | | | | |
| - expenditure | | | | | 250 |
| - contribution from earmarked reserve | Cr | | | | 250 |
| New Grant - Staying Put Implementation Grant | | | | | |
| - expenditure | | | | | 36 |
| - income | Cr | | | | 36 |
| Increase in insurance premiums | | | | | 4 |
| <i>Carry Forwards:</i> | | | | | |
| Social Care funding via the CCG under s256 (Invest to Save) | | | | | |
| - expenditure | | | | | 449 |
| - income | Cr | | | | 449 |
| Impact of Care Bill / Adult Social Care Gateway Review | | | | | |
| - expenditure | | | | | 249 |
| - income | Cr | | | | 249 |
| Tackling Troubled Families | | | | | |
| - expenditure | | | | | 764 |
| - income | Cr | | | | 764 |
| Public Health weight management pilot | | | | | |
| - expenditure | | | | | 98 |
| - income | Cr | | | | 98 |
| Carry forward - Social Care Funding via the CCG under s256 (Invest to Save) | | | | | |
| - expenditure | | | | | 40 |
| - income | Cr | | | | 40 |
| Welfare Reform Implementation Funding | | | | | |
| - expenditure | | | | | 66 |
| - income | Cr | | | | 66 |
| Public Health s256 | | | | | |
| - expenditure | | | | | 44 |
| - income | Cr | | | | 44 |
| Public Health Transition Funding | | | | | |
| - expenditure | | | | | 42 |
| - income | Cr | | | | 42 |
| NHS funding transfer integration funding - expenditure | | | | | |
| - expenditure | | | | | 992 |
| - income | Cr | | | | 992 |
| Provision for homelessness (impact of recession/changes to welfare benefits) | | | | | |
| - Bed & Breakfast | | | | | 653 |
| - Manorfields | | | | | 547 |
| Merit Awards | | | | | 40 |
| Deprivation of Liberty Safeguards | | | | | 163 |
| Data Cleansing | Cr | | | | 10 |
| Helping People Home | | | | | |
| - expenditure | | | | | 120 |
| - income | Cr | | | | 120 |
| Total Variations | | | | | <u>1,397</u> |
| 2014/15 Latest Approved Budget | | | | | <u>119,067</u> |

REASONS FOR VARIATIONS

1. Adult Social Care and Commissioning - Care-Related Costs - Dr £1,622k

| | £'000 |
|---|--------------|
| <u>Adult Social Care:</u> | |
| Assessment & Care Management (18-65 and 65+) | 1,575 |
| Learning Disabilities Care Management (18-65 and 65+) | 47 |
| | <u>1,622</u> |
| <u>Commissioning:</u> | |
| Learning Disabilities (18-65 and 65+) | (440) |
| Mental Health (18-65 and 65+) | 329 |
| Mental Health (18-65 and 65+) - planned management action | (181) |
| | <u>(292)</u> |
| Total Projected Overspend | <u>1,330</u> |

As reported last cycle, a new Adult Social Care "Service Reporting Code of Practice" (SERCOP) was implemented with effect from 1st April 2014. This had significant implications for budget management and financial reporting structures. In addition, "Zero Based Review" data collection changes were effective from the same date.

The main areas of change have included re-classification of all adult social care clients according to their Primary Support Reason (PSR), including those clients over 65 who were all previously classified as "Older People" irrespective of their primary care need. Further, support now has a greater degree of classification between long term and short term support.

The new PSRs include: Physical Support; Sensory Support; Support with Memory and Cognition; Learning Disability Support; Mental Health Support. There is a further category of Social Support which includes support to Carers.

There are still some issues to be resolved in relation to the implementation of the above changes, particularly final changes to some clients' PSRs and the consequent adjustments to budgets and projections.

These changes have had a significant impact on information available to monitor the budgets. Projections have been calculated based on the distribution of clients across PSRs at a point in time. Similarly, the budgets were calculated based on the profile of clients across the new PSRs in April 2014. Both of these sets of information continue to require further work and, as such, the above projections should be viewed only in total, with the expectation that the pattern of overspend will shift between individual budget heads in future months.

The projected overspend of £1.6m arises from the full year effect of 2013/14 activity combined with projected new activity in 2014/15 and 2014/15 budget savings, including £1.45m saving from the capping of Adult Social Care costs (see section below for further details)

Adult Social Care

The overspend in Adult Social Care can be further analysed as follows:

| | Projected Variation £'000 | Previous Variation £'000 | Change £'000 |
|--|---------------------------------|--------------------------------|-----------------|
| <u>Physical Support / Sensory Support / Memory & Cognition</u> | | | |
| Services for 65 + - Placements | 1,168 | 1,238 | -70 |
| - Domiciliary Care / Direct Payments | 923 | 932 | -9 |
| Services for 18 - 64 - Placements | -7 | 41 | -48 |
| - Domiciliary Care / Direct Payments | -175 | -179 | 4 |
| Management action - BCF contribution | -350 | -350 | 0 |
| Extra Care Housing | 36 | 0 | 36 |
| Staffing Costs | -20 | 18 | -38 |
| | <u>1,575</u> | <u>1,700</u> | <u>-125</u> |

The £1.45m saving from the capping of Adult Social Care costs was allocated across both placements (£1.031m, equivalent to 50 places) and domiciliary care/direct payments budgets (£0.419m) for the over 65's. Whilst placement numbers for the under 65's remain within the budget, those for the over 65's are currently showing 57 placements above budget, indicating that attempts to reduce numbers have not been successful. Since the last reported figures relating to November there has been a net reduction of 1 placement. Costs for domiciliary care and direct payments have reduced slightly, but a large overspend remains in this area. The Extra Care Housing (external) schemes are showing a projected overspend of £36k this period as we have now received the first set of invoices for the year in relation to the costs of voids which are not budgeted for.

The 2 invest to save schemes relating to Dementia (older people) and Physical Disability & Sensory Impairment have also not achieved the savings that were included in the budget, thus contributing to the overspend position. The dementia under achievement totals £278k and PD £279k. Work continues in both these areas with a view to achieving these savings.

Commissioning

Learning Disabilities - Cr £440k

The projected spend has reduced from the previous report by £350k to a projected underspend position of £440k. This is due to a number of factors but has arisen mainly from contract efficiencies, limiting inflationary increases paid to providers, reduced future spend assumptions (potential placements being deferred / not materialising / at lower cost) and attrition.

The projections include a number of assumptions on increased client needs, carer breakdowns, remaining transition cases and the effect of Ordinary Residence transfers both in and out of Bromley. These assumptions have been reviewed in detail this cycle but there continues to be an element of forward projection in the reported figures; the position is likely to change between now and year-end.

Mental Health - Dr £329k (Dr £148k after planned management action savings)

Based on current client PSR classifications in Carefirst, an overspend of £329k is anticipated on Mental Health care packages. Once planned management action has been factored in this reduces to a projected overspend of £148k. This planned management action has a significant impact on the full year effect, reducing it considerably. However, there appears to be a significant degree of client misclassification for Mental Health and, until this is resolved, it is difficult to manage or monitor budgets effectively. Both budgets and projections are likely to change once PSR issues are resolved. Current data indicates that the net number of Mental Health placements is increasing each cycle and it has been assumed that this trend continues for the rest of the year.

2. Learning Disabilities Day and Short Breaks Service - Cr £136k

The learning disabilities short breaks service at Widmore Road has been running since 2013, when the 2 former respite units at Bromley Road and Tugmutton Close closed. The combining of the 2 facilities on to one new site has enabled staffing efficiencies to be made and a projected underspend of £136k is now reported as the service beds down on the new site.

3. Learning Disabilities Housing and Support - Cr £115k

Some minor restructuring of the service, including the deregistration of the residential units at St Blaise and Orchard Grove and changes around the management of the service have resulted in a current projected underspend of £115k.

4. Direct Care - Cr £27k

a) Extra Care Housing - Dr £270k

There is a significant pressure on the in-house ECH budgets, mainly due to the need to provide additional support to some service users with mental health / dementia needs. There has also been an increase in the number of flats being used as 'step down' facilities by care management, resulting in subsequent loss of income (as this is not a chargeable service). There has been an increase to the overspend reported in November of £34k. The main variations can be analysed as £332k overspend on staffing and £67k overachievement of income.

b) Transport Service- Cr £192k

Monitoring of the transport budget has identified a projected underspend of £192k, £41k in relation to staffing costs of the SEN Transport Team and £151k for transport related costs of the social care related part of the service. The number of ambulances has reduced over the years from 21 to 19, the remainder are now in their secondary leasing period and have lower leasing costs, fuel costs have reduced and the budget for miscellaneous running expenses is underspending.

c) Reablement - Cr £133k

The underspend in this area relates to staffing, with increased vacancies in the service not being able to be filled by suitably qualified agency staff. As a result the team are carrying out less reablement of clients, which is likely to lead to increased costs within assessment and care management.

d) Carelink - Dr £28k

There is a minor projected overspend of £6k in the service in relation to staffing and a projected underachievement of income of £22k.

5. Operational Housing - Dr £183k

As a result of the drawdown of £653k approved by Executive on 15th October 2014, no variation is currently projected for temporary accommodation budgets. The projection assumes continued growth of 15 clients per month combined with continuing rising unit costs. This increase has been noticeable across all London Boroughs and is the result of the pressures of rent and mortgage arrears coupled with a reduction in the numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

Although no variation is expected in-year for temporary accommodation, there is a projected full year effect pressure of £77k in 2015/16. However, this only takes account of projected activity to the end of March 2015 and does not include any projected further growth in numbers beyond that point.

There will be a further revenue contribution to Capital as part of the year end closing of accounts for 2014/15, due to increased costs (overspend) associated with the Bellegrove conversion of £49k. This, the £16k shortfall previously reported relating to the Manorfields conversion, and a projected £17k overspend on furniture storage will be offset by one off in-year underspends on various staffing budgets due to delays in the recruitment and appointment of staff as part of the restructure, plus a few minor underspends on running expenses.

There will need to be an additional provision for bad debts for rent arrears as this has increased substantially since the last monitoring report. An additional £225k has been set aside to offset these potential costs. This will be closely monitored for the remainder of the year as further provision may be required if the trend of bad debts continues.

| | | Projected variation £'000 |
|-------------------------------|----|---------------------------------|
| Staffing & running costs | Cr | 124 |
| Bad Debt provision | | 225 |
| Manorfields capital shortfall | | 16 |
| Bellegrove capital overspend | | 49 |
| Furniture storage | | 17 |
| | | <u>183</u> |

6. Strategic and Business Support - Cr £313k

The projected underspend of £313k has arisen from a combination of: part year vacancies; underspends on running expenses (including staff advertising); significantly reduced levels of activity on training mainly as a result of delays in the delivery of Care Act training; projected net additional income from schools.

7. Children's Social Care - Dr £178k

The projected overspend in Children's Social Care has increased this month with the main areas of under / overspending being:

Placements - Cr £679k

The children's placement budget is currently projected to underspend by £679k (an increased underspend from that reported last time), based on current numbers of children being looked after, plus an assumption for new children having to be looked after during the year. This is partly offset by increased costs of children leaving care, as reported below. Residential placements are projected to be underspent by a net £503k, whilst fostering & adoption costs are expected to be £51k underspent. Additionally, income generated from adoption assessments has netted £125k above the budget.

No Recourse to Public Funds - Dr £237k

The cost to Bromley for people with no recourse to public funding significantly exceeded the budget established for these costs in 2013-14. Additional budget was moved into this area for 2014/15, however the trend of increased costs is continuing during the current financial year, with a current projected overspend of £237k now being reported, a slight reduction from the last reported figure. The projection includes an assumption for new clients coming through the system for the remainder of the year.

Leaving Care Clients - 16/17 year olds - Dr £186k

Expenditure relating to leaving care services for 16 and 17 year olds is projected to overspend due to the numbers of children leaving care. This amount has decreased slightly from the last reported figure of £224k. This could further increase if more children within this age group leave care requiring services.

Leaving Care Clients - 18 plus - Dr £261k

Expenditure relating to leaving care services for 18 year olds and over is projected to overspend as a result of delays relating to the reclaiming of housing benefits and the non recovery of some personal charges which will have to be written off. Officers are working together to ensure that all sums that should be recovered are recovered in a timely manner. However the level of bad debts has risen since the last monitoring and needs to be monitored carefully

Children's Disability Service - Cr £31k

The Children's Disability team are expected to be £31k under budget.

Other miscellaneous budgets - Dr £204k

An SLA with an external provider was not renewed in 2013-14, resulting in a continuing underspend of £38k, staffing budgets across the division are projected to overspend by approximately £150k and legal costs of £91k have been incurred relating to care proceedings for which there is no budgetary provision.

8. Commissioning - Cr £97k

Although a relatively small total variation, the projected net overspend of £34k comprises:

| | Projected variation £'000 |
|--|---------------------------------|
| Taxicard | Cr 56 |
| Contracts (net) | Cr 18 |
| Carers | Cr 5 |
| Commissioning staffing and related budgets | Cr 18 |
| Deprivation of Liberty Safeguards | 0 |
| Projected net overspend | <u>-97</u> |

The underspend on Taxicard arises from a TfL and London Councils re-profiling exercise and lower than budgeted take-up in Bromley, resulting in a reduced charge. The projected underspends on contracts and Carers budgets largely arise from limiting inflationary increases to third party providers.

A recent Supreme Court judgement relating to Deprivation of Liberty Safeguards has potentially significant financial implications. The background was reported most recently to Executive in November 2014 where it was agreed that an additional £163k in the 2014/15 financial year be added to offset in year pressures. Further funding has been set aside for 2015/16, half of which has been added to the budget and the remainder held in contingency to be drawn down. The position for DoLs is now cost neutral

9. Supporting People - Cr £146k

The projected underspend of £146k on Supporting People budgets arises from inflationary savings and the effect of re-tendering / extending contracts at a reduced cost. It should be noted that any savings arising from future re-tendering or contract extensions have not been assumed in this figure so the underspend may increase. There was a £270k saving built in to the 2014/15 budget and the £146k underspend is in excess of this.

10. Housing Improvement - Dr £34k

There is a projected shortfall within renovation grant agency fee income and other income. This is due to reduced activity on capital schemes which has had a corresponding effect on the fees earned. There are other minor variations across of the service giving rise to the net deficit

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub-Committee bi-annually.

Since the last report to the Executive, waivers were approved as follows:

- (a) There were 2 contract waiver's agreed for the continuation of current contract's of more than £100k.
- (b) There were 4 waiver's agreed for placement's over £50k but less than £100k in Adult Social Care and 1 waiver agreed for over £100k.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" are included in financial monitoring reports to the Portfolio Holder. Since the last report to the Executive, one virement of £10k has been actioned for the transfer of funding for ECHS data cleansing to Education.

| 2013/14 Actuals | Division Service Areas | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|--|--|-------------------------------|-------------------------------|---------------------------------|-----------------|-------|-------------------------------|------------------------|
| EDUCATION CARE & HEALTH SERVICES DEPARTMENT | | | | | | | | |
| Education Division | | | | | | | | |
| Cr 401 | Adult Education Centres | Cr 602 | Cr 601 | Cr 332 | 269 | 1 | 264 | 269 |
| 275 | Alternative Education and Welfare Service | 104 | 104 | 226 | 122 | 2 | 122 | 0 |
| 412 | Schools and Early Years Commissioning & QA | 565 | 565 | 401 | Cr 164 | 3 | Cr 122 | 0 |
| 4,451 | SEN and Inclusion | 4,772 | 4,775 | 4,820 | 45 | 4 | Cr 205 | 0 |
| 213 | Strategic Place Planning | 255 | 265 | 224 | Cr 41 | 5 | 0 | 0 |
| 11 | Workforce Development & Governor Services | 11 | 11 | 16 | 5 | 6 | 0 | 0 |
| Cr 2,957 | Education Services Grant | Cr 2,732 | Cr 2,732 | Cr 2,732 | 0 | 7 | 0 | 920 |
| Cr 1,415 | Schools Budgets | Cr 1,493 | Cr 1,493 | Cr 1,493 | 0 | 8 | 0 | 0 |
| 160 | Other Strategic Functions | 158 | 158 | 158 | 0 | | 0 | 0 |
| 0 | Early Years | 0 | 0 | 0 | 0 | | 0 | 0 |
| 0 | Primary Schools | 0 | 0 | 0 | 0 | | 0 | 0 |
| 0 | Secondary schools | 0 | 0 | 0 | 0 | | 0 | 0 |
| 0 | Special Schools & Alternative Provision | 0 | 0 | 0 | 0 | | 0 | 0 |
| 0 | Post-16 Provision | 0 | 0 | 0 | 0 | | 0 | 0 |
| 749 | | 1,038 | 1,052 | 1,288 | 236 | | 59 | 1,189 |
| Children's Social Care | | | | | | | | |
| 1,790 | Bromley Youth Support Programme - (Youth Svce) | 1,468 | 1,471 | 1,471 | 0 | 9 | 0 | 0 |
| 1,889 | Referral and Assessment Children's Centres | 2,143 | 2,442 | 2,305 | Cr 137 | 10 | Cr 100 | 0 |
| 3,679 | | 3,611 | 3,913 | 3,776 | Cr 137 | | Cr 100 | 0 |
| 4,428 | TOTAL CONTROLLABLE FOR EDUCATION - ECHS | 4,649 | 4,965 | 5,064 | 99 | | Cr 41 | 1,189 |
| 9,221 | Total Non-Controllable | 5,096 | 5,124 | 5,124 | 0 | | 0 | 0 |
| 3,802 | Total Excluded Recharges | 3,386 | 3,386 | 3,386 | 0 | | 0 | 0 |
| 17,451 | TOTAL EDUCATION PORTFOLIO - ECHS | 13,131 | 13,475 | 13,574 | 99 | | Cr 41 | 1,189 |
| Memorandum Item | | | | | | | | |
| Sold Services | | | | | | | | |
| | Education Psychology Service (RSG Funded) | Cr 23 | Cr 23 | Cr 3 | 35 | } 11 | 20 | 0 |
| | Education Welfare Service (RSG Funded) | Cr 39 | Cr 39 | Cr 39 | 0 | | 0 | 0 |
| | Behaviour Support (Secondary) (RSG Funded) | Cr 61 | Cr 61 | 56 | 117 | | 117 | 0 |
| | Workforce Development (DSG/RSG Funded) | Cr 8 | Cr 8 | Cr 8 | 0 | | 0 | 0 |
| | Governor Services (DSG/RSG Funded) | Cr 7 | Cr 7 | Cr 7 | 0 | | 0 | 0 |
| | Community Vision Nursery (RSG Funded) | 0 | 0 | Cr 49 | Cr 35 | | Cr 49 | 0 |
| | Blenheim Nursery (RSG Funded) | 0 | 0 | Cr 53 | Cr 59 | | Cr 53 | 0 |
| | Business Partnerships (RSG Funded) | 0 | 0 | 0 | 0 | | 0 | 0 |
| | Total Sold Services | Cr 138 | Cr 138 | Cr 103 | 58 | | 35 | 0 |

Reconciliation of Latest Approved Budget

£'000

Original Budget 2014/15

13,131

| | |
|--|--------|
| SEN Reform Grant Income | Cr 382 |
| SEN Reform Grant Expenditure | 382 |
| Children's Centres carry forward | 297 |
| Non-controllable carry forward re Adult Education property | 21 |
| SEND Pathfinder Champion Grant Income | Cr 71 |
| SEND Pathfinder Champion Grant Expenditure | 71 |
| SEND Implementation Grant Income | Cr 152 |
| SEND Implementation Grant Expenditure | 152 |
| Increase in insurance premiums | 7 |
| Allocation of Merit Awards | 9 |
| Transfer from Strategy for Data Cleansing | 10 |

Latest Approved Budget for 2014/15

13,475

REASONS FOR VARIATIONS

1. Adult Education - Dr £269k

As previously reported, a continuation of the significant overspend in 2013/14 is projected for the Adult Education Service. A reduction in grant, tuition fee and other income totalling £366k has not been matched by the same level of reductions in the running costs of the service.

The service is currently being market tested as a separate 'lot' with Education services, and at the same time officers are investigating other options to help contain this overspend going forward which may need to be consulted on in due course.

| | Variations | |
|---|------------|------------|
| | £'000 | |
| Skills Funding Agency grant | | 164 |
| Tuition fee income | | 225 |
| Lettings and other fees and charges | Cr | 23 |
| Business rates and other premises costs | | 14 |
| Recharge to WD&GS | Cr | 22 |
| Supplies and services | Cr | 47 |
| Staffing | Cr | 42 |
| | | <u>269</u> |

2. Alternative Education and Welfare - Dr £122k

From 2013/14, funding for Behaviour Services was delegated to schools. As a result, the Secondary Outreach team became a traded service selling to schools. At the end of July 2014, the service was closed and the staff assimilated into vacant posts within the Pupil Referral Unit's establishment, with the expectation that Bromley Trust Academy will continue the service now that the PRU has converted to academy status.

The final outturn position for the trading account is £122k overspent, slightly higher than anticipated as the service was unable to take in any additional pupils running up to the closure.

3. Schools and Early Years Commissioning and Quality Assurance - Cr £164k

The two in-house nurseries are projected to generate a total surplus of £94k, a £30k increase over 2013/14. The trading accounts, set up in April 2013, are not on a full cost recovery basis, so this surplus is only funding an element of the £185k recharges allocated. The service is currently undergoing a market testing exercise which might, depending on the level of rental income and concession fee agreed, result in a reduction of net income if delivered by an external provider.

There is also an underspend of £43k in the Early Years service due to staff vacancies held in anticipation of savings proposed for 2015/16. Additionally a £19k grant from DfE to help implement Early Years Pupil Premium was announced on 17th February. Due to the late announcement of the grant, this will not be spent in the financial year, however the service will request a carry forward of this funding to enable them to implement the changes required.

A projected underspend in School Standards of £27k is the result of the vacant Senior Advisor post, which is being covered more efficiently by the use of consultants/agency staff.

| | Variations | |
|------------------------------|------------|-------------------|
| | £'000 | |
| Blenheim Nursery | Cr | 59 |
| Community Vision Nursery | Cr | 35 |
| Early Years support services | Cr | 43 |
| School Standards | Cr | 27 |
| | Cr | <u>164</u> |

4. SEN and Inclusion - Dr £45k

To help authorities with the amount of work required to convert existing Statements of SEN to the new Education Health and Care (EHC) plans, and to implement the changes to working practices required, the Department for Education has created the SEN Reform Grant. LBB's allocation of this grant for 2014/15 is £382k, draw-down of which was approved by Executive on 2nd April 2014. DfE later announced the SEND Implementation (New Burdens) Grant, with £259k allocated to LBB. At it's meeting on 15th October 2014, Executive approved drawdown of £152k for 2014/15, with the remaining £107k ring-fenced for drawdown in 2015/16. At the same meeting Executive also approved drawdown of the third year £71k allocation of the ring-fenced SEND Pathfinder Champion Grant.

Due to changes to the statutory guidance around the reforms, the service has not been able to put in place the structure to implement the reforms as early as originally intended. As a result, an estimated £200k of the Reform/Implementation grants will not be spent during 2014/15; a request will be made to carry this forward to 2015/16 along with the request for drawdown of the 2015/16 grant funding.

The head of service post is now being covered part time, and at a lower grade whilst the previous post holder is working solely on the reforms. This, plus temporary vacancies, and staff working reduced hours has resulted in a projected £85k underspend in the SEN assessment and monitoring team.

The current projection for the Education Psychology trading account is an overspend of £35k, a small improvement over the £41k overspend in 2013/14, and which is partly offset by an underspend of £10k in the statutory element of the service.

Although the travel training programme is progressing well, increasing number of pupils in general, and of those with complex needs has resulted in a projected overspend of £110k for SEN Transport.

| | Variations | |
|----------------------------------|------------|-----------|
| | | £'000 |
| SEN assessment & monitoring team | Cr | 85 |
| SEN Reform/Implementation grants | Cr | 200 |
| - Assumed carry forward | | 200 |
| Education Psychologists | Cr | 10 |
| - Trading account | | 35 |
| SEN Transport | | 110 |
| Business Support | Cr | 5 |
| | | <u>45</u> |

5. Strategic Place Planning - Cr £41k

An underspend of £6k is currently projected for the RSG funded element of the Admissions team salaries. There is also a £7k underspend on pupil assessment expenses and an expected £28k underspend on non-SEN transport.

| | Variations | |
|-------------------|------------|------------------|
| | | £'000 |
| Admissions | Cr | 6 |
| Pupil Assessments | Cr | 7 |
| Transport | Cr | 28 |
| | Cr | <u>41</u> |

6. Workforce Development & Governor Services - Dr £5k

An overspend of £6k on the statutory element of the service is due to an overspend on training expenses partly offset by a reduction in staffing costs.

On the trading accounts, there is shortfall of income relating to governor services, and surplus income on the workforce development side, which has also required less resources to deliver.

| | Variations | |
|---|------------|----------|
| | | £'000 |
| Workforce Development & Governor Services | | 6 |
| Governor Services Trading Account | | 11 |
| Workforce Development Trading Account | Cr | 12 |
| | | <u>5</u> |

7. Education Services Grant - Dr £0k

Current projections for the Education Services Grant (ESG) allocation is £360k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The current projection is based on the 15 in-year conversions as at 1st February 2014 including the PRU, with a further 2 conversions approved by DfE expected to convert before April 2015. The full year effect of these 17 conversions is £920k. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

8. Schools Budgets (no impact on General Fund)

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget. Any overspend or underspend must be carried forward to the following years Schools Budget. There is a total projected overspend of £257k on DSG funded services as outlined below to be offset against the £8.9m carried forward from previous years.

Current projections for SEN placements are for £107k overspend mainly due to higher than budgeted average placement costs, especially those in schools maintained by other authorities. There is an underspend of £80k anticipated relating to SEN equipment.

SEN support costs for students in further education establishments, for which funding and responsibility transferred to the authority for the first time in September 2013, is currently expected to underspend by £263k.

There is an underspend of £189k in the Sensory Support Service, mainly due to vacant posts to support pupils who have a sensory impairment, as there are currently no pupils requiring this support. There is also a budget of £200k for Pupil Resource Agreements which will remain unspent due to changes to the funding regulations, plus a £27k underspend due to vacant posts. These budgets will be deleted from 2015/16 to help fund the Early Years inclusion funding.

The Specialist Support & Disability service is expected to underspend by £15k on staffing costs. The Early Years SEN service (Phoenix) is projected to underspend by a total of £114k, mainly on staffing costs. This budget will be reduced in 2015/16 to help contain anticipated pressures in other areas of the Schools Budget.

The DSG funded element of the SEN Transport is currently projected to underspend by £123k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of increased take up of lower cost in-borough placements in future years.

There is £52k underspend in the Early Intervention service due a vacant post which has been deleted for 2015/16, £9k underspend on Progression Courses, and £11k underspend in the Home & Alternative Provision service as a result of staffing vacancies and the reduction in recharges from the termination of the outreach service, offset by increased use of agency tutors.

The 2014/15 budget included a sum of £600k to be allocated to early years providers. It had previously been anticipated that this would be unspent, as the funding regulations no longer permit in-year changes to the early years funding formula. DfE has since confirmed that this can in fact be distributed in-year as top-up funding, although it is expected that £91k of this will remain unspent.

An increase of £314k to the DSG allocation was made in July accounting for the increase in pupil numbers on the January 2014 Early Years Census, and there has been a subsequent increase of £224k made in November as the original figure had incorrectly been pro-rata'd. There was also an adjustment to the previous academy recoupment figure of £112k to account for bulge classes.

A major pressure areas in 2013/14 was Free Early Education (FEE) provision for 3 and 4 year olds, with an outturn of £529k overspend. To offset this, and to manage the anticipated continued growth in take-up, £1.3m budget growth was added for 2014/15. An underspend of £111k is now projected on the £11.4m total budget. There is also £231k of 2013/14 creditor provision which will remain unspent.

Continued growth in uptake is expected for FEE for 2 year olds in 2014/15. However, current projections suggest that a significant underspend of around £1.3m is likely on this budget. From 2015/16 onwards DfE will fund this provision on a participation basis, resulting in an anticipated reduction to the DSG allocation of £1.3m, so this underspend will not continue. As approved by Executive on 26th November 2014, a contribution of £150k from this underspend will be made to the capital scheme to help build capacity for these extra places.

The underspends above are partly offset by a continued increase in the requirement for bulge classes, resulting in an overspend of £793k on the £1m budget.

Finally there are one off costs funded by the overall underspend above for HR support for academy conversions, consultancy costs for the Pupil Referral Unit IEB, temporary classroom rentals, initial costs relating to the purchase and refurbishment of Beacon House (subject to approval from DfE to disapply the funding regulation limit on increasing the budget), and costs relating to the vacant Kingswood House.

| | Variations | | |
|---|------------|--------|------------|
| | | | £'000 |
| Home and Alternative Provision | Cr | | 11 |
| Early Intervention Service | Cr | | 52 |
| Progression Courses | Cr | | 9 |
| Bulge classes | | | 793 |
| Nursery classes | | | 64 |
| Carbon Reduction Commitments re 2013/14 | Cr | | 13 |
| Budget share adjustments | | | 6 |
| Recoupment adjustments (rates/dedelegation) | Cr | | 66 |
| Admissions | Cr | | 30 |
| School Standards | Cr | | 33 |
| Workforce Development & Governor Services | | | 6 |
| SEN: | | | |
| - Placements | | | 107 |
| - Equipment | Cr | | 80 |
| - Support in FE colleges | Cr | | 263 |
| - Sensory support service | Cr | | 189 |
| - Support in mainstream | Cr | | 227 |
| - Specialist Support & Disability Service | Cr | | 15 |
| - Pre-school service | Cr | | 114 |
| - Business Support | Cr | | 5 |
| - Transport | Cr | 123 Cr | 909 |
| FEE: | | | |
| - 3 & 4 year olds provision | Cr | | 111 |
| - Inclusion support | Cr | | 91 |
| - 2 year olds provision | Cr | | 1,299 |
| - Contribution to capital | | | 150 |
| - Prior year provisions | Cr | 231 Cr | 1,582 |
| DSG allocation adjustments: | | | |
| - Additional Early Years allocation re 13/14 | Cr | | 314 |
| - Additional Early Years allocation re 14/15 | Cr | | 224 |
| - Bulge class recoupment adjustment | Cr | 112 Cr | 650 |
| One-off expenditure: | | | |
| - Support for academy conversions/IEB consultancy | | | 65 |
| - Temporary classroom rentals | | | 219 |
| - Purchase of Beacon House | | | 1,790 |
| - Langley Park BSF | | | 400 |
| - Beacon House refurbishment costs | | | 8 |
| - PRU maintenance/carry forward | | | 238 |
| - Kingswood House costs | | | 23 |
| | | | 2,743 |
| | | | <u>257</u> |

9. Youth Service - Dr £0k

This service previously reported an expected overspend of £90k on salaries during 2014-15 whilst the total savings target of £360k were achieved. However, after the completion of the reorganisation in the summer, and a budget realignment to match the restructured universal and targeted provisions, a clearer picture of the revised service has emerged and it is now expected that there will be no overall variance.

10. Referral & Assessment Children's Centres - Cr £137k

Bromley Children's Project is forecast to underspend by £137k due to resignations and delays in appointing to vacant posts, plus an underspend on the Commissioning budget. This is partially offset by premises maintenance and NNDR liability for two former unoccupied Children's Centres.

| | Variations | |
|-------------------------------------|------------|------------|
| | | £'000 |
| Salaries | Cr | 147 |
| Premises costs | | 79 |
| Commissioning budget | Cr | 55 |
| Other (Suppliers & Services/income) | | 11 |
| Parent Partnerships vacancies | Cr | 25 |
| | Cr | 137 |

11. Sold Services (net budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100k) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, a waiver for £336k has been approved by the Portfolio Holder on 16th December for Health and Safety works in a Special School.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, £10k has been vired from ECHS Strategy & Business Support for data cleansing in Admissions.

| 2013/14 Actuals £'000 | Division Service Areas | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|--|--|---|---|--|---|---------------------------|---|--|
| Cr 6,461 1,247 | Customer & Support Services Parking Support Services | Cr 6,036 1,198 | Cr 6,036 1,199 | Cr 6,236 1,099 | Cr 200 Cr 100 | 1 - 7 8 | Cr 176 Cr 90 | 0 0 |
| Cr 5,214 | | Cr 4,838 | Cr 4,837 | Cr 5,137 | Cr 300 | | Cr 266 | 0 |
| 76 | Public Protection - ES Emergency Planning | 75 | 75 | 75 | 0 | | 0 | 0 |
| 76 | | 75 | 75 | 75 | 0 | | 0 | 0 |
| 4,135 2,540 Cr 18 5,775 481 17,085 29,998 | Street Scene & Green Space Area Management/Street Cleansing Highways Markets Parks and Green Space Street Regulation Waste Services | 4,079 2,535 1 5,898 461 17,570 | 4,079 2,535 1 5,955 462 18,129 | 4,128 2,478 Cr 9 5,871 462 18,450 | 49 Cr 57 Cr 10 Cr 84 0 321 | 9 10 11 12 13 | 20 Cr 51 Cr 10 Cr 64 0 418 | 0 0 0 0 0 700 700 |
| | Transport & Highways Highways incl London Permit Scheme Highways Planning Traffic & Road Safety | 6,611 136 171 | 6,864 136 173 | 6,766 136 173 | Cr 98 0 0 | 14 | Cr 136 0 0 | 0 0 0 |
| 6,742 | | 6,918 | 7,173 | 7,075 | Cr 98 | | Cr 136 | 0 |
| 31,602 | TOTAL CONTROLLABLE | 32,699 | 33,572 | 33,393 | Cr 179 | | Cr 89 | 700 |
| 7,391 | TOTAL NON-CONTROLLABLE | 6,386 | 6,481 | 6,403 | Cr 78 | 15 | Cr 34 | 0 |
| 2,035 | TOTAL EXCLUDED RECHARGES | 2,095 | 2,109 | 2,109 | 0 | | 0 | 0 |
| 41,028 | PORTFOLIO TOTAL | 41,180 | 42,162 | 41,905 | Cr 257 | | Cr 123 | 700 |

Reconciliation of Latest Approved Budget

£'000

Original Budget 2014/15

41,180

Keston Ponds Dam carry-forward from 2013/14

65

Lead Local Flood Authorities

250

Increase in annual insurance premiums

98

Allocation of Merit Awards

11

Three split bodied vehicles

558

Latest Approved Budget for 2014/15

42,162

REASONS FOR VARIATIONS

1. Income from Bus Lane Contraventions Dr £35k

Due to a combination of greater compliance and the impact from the works at Bromley North which has resulted in some areas becoming unenforceable from April, a deficit of income of £35k is projected.

2. Off Street Car Parking Dr £3k

Overall a surplus of £73k is projected for off street parking income. There is a projected surplus of Cr £41k from Village Way multi-storey car park, a surplus of £22k from the Hill and Cr £10k is projected from surface car parks.

There are other net variations within parking totalling Dr £6k.

Several car park barriers will be replaced by the end of the year at an estimated cost of £70k.

| Summary of variations within Off Street Car Parking | £'000 |
|--|--------------|
| Off Street Car Parking income - multi-storey car parks | Cr 63 |
| Off Street Car Parking income - other surface car parks | Cr 10 |
| Other variations in Supplies and Services | 6 |
| Replacement of car park barrier machines | 70 |
| Total variations within Off Street Parking | 3 |

3. On Street Car Parking Cr £135k

An overall surplus of £80k is projected for on street parking income. Major variations are within Bromley Town Centre with a net surplus of Cr £35k, Cr £18k from Orpington, Cr £15k from Shortlands and Cr 12k from all other areas.

Other variations are projected on telephones of Cr £5K.

Management action is being taken to freeze the on-street equipment budget to part finance the cost of replacing some off-street car park barriers, Cr £50k.

| Summary of variations within On Street Car Parking | £'000 |
|---|---------------|
| Income from Bromley Town Centre | Cr 35 |
| Income from Petts Wood, Orpington, Shortlands & other areas | Cr 45 |
| Management action - equipment budget | Cr 50 |
| Telephone costs | Cr 5 |
| Total variations within On Street Car Parking | Cr 135 |

4. Car Parking Enforcement Cr £64k

There is a projected underspend on salaries for CCTV holiday and sickness cover of Cr £6k.

Based on activity levels up to January 2015, there is a projected net surplus of £110k from PCNs issued by Vinci in the current year due to an increase in contraventions. Additional income is also projected for PCN contraventions in 2013/14 totalling Cr £5k.

A net deficit of Dr £46k is projected for mobile and static cameras due to the works being undertaken in Bromley North which has led to areas becoming unenforceable from April to date. This is partly offset by extra income received for tickets issued in 2013/14 of Cr £20k.

There are additional debt collection and registration fees of Dr £46k, due to the clearance of a backlog at the end of 2013/14 after the introduction of the new Parking IT system. This deficit is partly offset by a projected underspend on Vinci contract payments of Cr £15k.

| Summary of variations within Car Parking Enforcement | £'000 |
|---|--------------|
| Salary underspend | Cr 6 |
| Net additional costs re Debt Collection and Registration | 46 |
| Vinci contract payments | Cr 15 |
| PCNs issued by wardens | Cr 115 |
| PCNs issued by mobile & static cameras | 26 |
| Total variations within Car Parking Enforcement | Cr 64 |

5. Parking Shared Service Cr £21k

There is a projected net underspend on the Parking Shared Service of £21k. This is attributable to reduced postage costs because of lower volumes (Cr £18k), and other net minor variations Cr £3k.

6. Permit Parking Cr £10k

Based on permits issued to date in 2014/15 and projections of numbers for the financial year, there is estimated additional income of £16k partly offset by additional costs of £6k.

7. Disabled Parking Cr £8k

Printing and stationery costs are expected to be about £8k below budget for this financial year.

| Summary of overall variations within Parking: | £'000 |
|--|---------------|
| Bus Routes Enforcement | 35 |
| Off Street Car Parking | Cr 67 |
| Replacement of car park barrier machines | 70 |
| On Street Car Parking | Cr 85 |
| Management action - on street equipment budget | Cr 50 |
| Car Parking Enforcement | Cr 64 |
| Parking Shared Service | Cr 21 |
| Permit Parking | Cr 10 |
| Disabled Parking | Cr 8 |
| Total variation for Parking | Cr 200 |

8. Support Services Cr £100k

There is a projected net underspend within staffing of £60k. This is due to a combination of not replacing the Assistant Director of Customer & Support Services, a secondment not being backfilled, and delays in recruiting temporary cover. Additionally there is an underspend of £40k within Depot premises budgets, due to a one-off business rate rebate from 2013-14.

9. Area Management & Street Cleansing Dr £49k

Within the FPN littering offence scheme there is a deficit of £20k, relating to the period to 31st August 2014. This has arisen due to a combination of lower than anticipated income recovery rates, as well as fewer tickets issued than expected during this period, and therefore costs exceed income collected. Following renegotiation of contract arrangements, the scheme is expected to be cost neutral to the end of the financial year as any cost to income deficits will be covered by the contractor.

It is expected that the compensation payment of up to £20k will be made to Kier before the end of the year, regarding the termination of the public toilet contract from 1st April 2015.

There are other minor variations totalling £9k, giving rise to a net deficit of £49k for the service.

10. Highways SSGS Cr £57k

There is a net projected underspend within staffing budgets including car allowances, of £23k due to the part-year effect of a vacant post.

A surplus of income is projected from skip licences of £20k. This is due to a combination of a general upturn within the economy, as well as improved management systems and processes within the SSGS division. A small surplus of income is also projected from street traders' licences of £5k, giving a net surplus of £25k for the service. This is being used to contribute towards deficits within the Street Scene and Green Space division.

Other miscellaneous income of Cr £9k has been transferred from the deposits register relating to highways works undertaken.

| Summary of variations within Highways SSGS | £'000 |
|--|--------------|
| Underspend within staffing, car allowances & leased cars | Cr 23 |
| Surplus income - skip licences & street trader licences | Cr 25 |
| Miscellaneous income | Cr 9 |
| Total variation for Highways SSGS | Cr 57 |

11. Markets Cr £10k

Projected income surplus of £10k, due to higher customer activity than previously anticipated.

12. Parks & Green Space Cr £84k

Within staffing budgets there is a projected net underspend of £50k. This is largely due to vacancies within the Grounds Maintenance team, and reduced hours working within the Park Ranger service.

There is a projected underspend within utility budgets of £25k. This is due to rebates received in instances where actual charges have now replaced previous estimates.

Other miscellaneous income of Cr £9k has been transferred from the deposits register relating to parks works undertaken, and therefore the net position for the service is an underspend of £84k.

13. Waste Services Dr £321k

There is currently projected to be a net overspend within waste disposal tonnages, excluding garden waste, of £306k. £42k of this relates directly to the extra disposal tonnage generated by the increase in trade waste delivered activity, as reflected from the extra income. The balance of £264k is the net effect of the anticipated growth in residual household tonnage of 2,210 tonnes and the projected reduction in recycled paper tonnage (720 tonnes).

In addition to the increase in residual disposal tonnage from households, the green garden waste tonnage is 1,020 higher for the first 10 months of the year when compared to the same period last year. The pattern of increased tonnages is expected to continue, and a year end variation of 1,400 tonnes is projected, resulting in an overspend of £63k.

The green garden waste collection service is projected to be underspent by £123k by the year end. This is due to a number of factors; Staffing and running expenses are expected to be £26k lower than budgeted and the fourth vehicle has only been required intermittently providing a saving of £90k. There is a projected net overachievement of income of £7k, which incorporates the continued sale of green garden waste stickers.

Reduced tonnages of paper collected from households has resulted in a projected deficit of income from paper recycling of £100k. Paper tonnages have been reducing for the last two years, and it is likely that this trend will continue into future years.

There is currently a projected deficit within income from trade waste collections of £90k. This has arisen where around 4% of commercial customers have withdrawn from the services since April 2014.

Within trade waste delivered income, there is a projected surplus of £90k, resulting from higher activity than budgeted. This offsets the disposal costs of the additional tonnage generated.

There are other projected net variations across the service of Cr £25k.

| Summary of variations within Waste Services | £'000 |
|--|-------------------|
| Waste disposal tonnages | 306 |
| Waste disposal tonnages - green garden waste | 63 |
| Underspend from green garden waste collection scheme | Cr 123 |
| Paper recycling income | 100 |
| Trade waste collection income | 90 |
| Trade waste delivered income | Cr 90 |
| Other net variations | Cr 25 |
| Total variation for Waste Services | <u>321</u> |

14. Highways (incl London Permit Scheme) Cr 98k

Within NRSWA income, there is a net projected deficit of £30k for defect notices which has been more than offset by the release of a bad debt provision of £50k which is no longer required relating to some older debt. There is also £18k additional income for street works.

Other miscellaneous income of Cr £48k has been transferred from the deposits register relating to highways works undertaken.

The winter service budgets are currently projected to be £78k underspent, essentially due to the relatively mild winter and lack of snowfall. The table below gives a breakdown of winter service variances: -

| Winter Service | Budget | Outturn | Variance |
|---|-------------------|----------------------|------------------|
| | £'000 | £'000 | £'000 |
| Salt, gritting & snow clearance | 161 | 94 Cr | 67 |
| Met Office Costs | 25 | 31 | 6 |
| Vehicle / plant maintenance & repairs | 110 | 107 Cr | 3 |
| Standby / training / overtime and other costs | 106 | 92 Cr | 14 |
| Winter Service Totals | <u>402</u> | <u>324 Cr</u> | <u>78</u> |

The additional NRSWA and deposit income has been used to fund extra highways planned maintenance works totalling £60k, for roads in need of urgent repair.

| Summary of variations within Highways (incl London Permit Scheme) | £'000 |
|--|--------------|
| Streetworks income | Cr 38 |
| Additional planned maintenance works | 60 |
| Winter service | Cr 78 |
| Miscellaneous income from deposit register | Cr 42 |
| Total variation for Highways | Cr 98 |

15.Non-controllable budgets Cr £78k

For information here, the variation relates to a net surplus within property rental income across the Environment portfolio. Property division are accountable for these variations.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waivers have been actioned:

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virements have been actioned.

Public Protection & Safety Portfolio Budget Monitoring Summary

| 2013/14 Actuals £'000 | Division Service Areas | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|-----------------------------|--|--|--|--|--------------------|-------|--|------------------------------|
| 433 | Public Protection Community Safety | 313 | 307 | 307 | 0 | | 0 | 0 |
| 322 | Mortuary & Coroners Service | 348 | 348 | 348 | 0 | 1 | 0 | 0 |
| 1,779 | Public Protection | 1,865 | 1,874 | 1,837 | Cr 37 | 2 | Cr 35 | 0 |
| 2,534 | TOTAL CONTROLLABLE | 2,526 | 2,529 | 2,492 | Cr 37 | | Cr 35 | 0 |
| 191 | TOTAL NON CONTROLLABLE | 6 | 6 | 6 | 0 | | 0 | 0 |
| 281 | TOTAL EXCLUDED RECHARGES | 94 | 94 | 94 | 0 | | 0 | 0 |
| 3,006 | PORTFOLIO TOTAL | 2,626 | 2,629 | 2,592 | Cr 37 | | Cr 35 | 0 |

Reconciliation of Latest Approved Budget

£'000

Original Budget 2014/15

2,626

Allocation of Merit Awards

3

Latest Approved Budget for 2014/15

2,629

REASONS FOR VARIATIONS

1. Mortuary and Coroners Service £0k

There is no overall variation projected. Provision has been made for a potential adjustment at the financial year end to reflect the actual costs that will be supplied by Croydon, who administer the service on behalf of a consortium of four local authorities. The new contract for the Mortuary at Princess Royal University Hospital has not yet been finalised by Kings NHS management in light of their future expansion plans. There is no variation projected on this budget at present, however the new contract will fluctuate with numbers compared to the existing set price contract.

2. Public Protection Cr £37k

There is likely to be a net surplus of around £37k within Public Protection. £16k is as a result of underspends on Employee costs, due to vacancies including that of the CCTV manager and £7k from minor projected variations on Supplies and Services. There are minor variations across various income budgets totalling Dr £6k.

The number of dogs being kept in kennels and associated medical costs have been less than expected and an underspend of Cr £20k is projected for the year end.

Summary of variations within Public Protection:

| | £'000 |
|--|---------------------|
| Variations within employee costs | Cr 16 |
| Net variations on Supplies and Services | Cr 7 |
| Stray dogs kennelling contract | Cr 20 |
| Net shortfall of income | 6 |
| Total variation for Public Protection | <u>Cr 37</u> |

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, no waivers have been actioned:

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virements have been actioned.

Renewal and Recreation Budget Monitoring Summary

| 2013/14 Actuals £'000 | Division Service Areas | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|-----------------------------|---|--|--|--|--------------------|-------|--|------------------------------|
| | R&R PORTFOLIO | | | | | | | |
| 0 | Commissioning Fund Commissioning Fund | 0 | 0 | 0 | 0 | | 0 | 0 |
| 0 | | 0 | 0 | 0 | 0 | | 0 | 0 |
| Cr 16 | Housing Strategy & Development Housing Strategy & Development | Cr 14 | Cr 14 | Cr 14 | 0 | | 0 | 0 |
| Cr 16 | | Cr 14 | Cr 14 | Cr 14 | 0 | | 0 | 0 |
| Cr 23 | Planning Building Control | 12 | 12 | Cr 13 | Cr 25 | 1 | Cr 24 | 0 |
| Cr 165 | Land Charges | Cr 168 | Cr 168 | Cr 168 | 0 | | 0 | 0 |
| 492 | Planning | 649 | 652 | 470 | Cr 182 | 2 | Cr 195 | 0 |
| 1,119 | Renewal | 1,093 | 1,208 | 1,130 | Cr 78 | 3 | Cr 30 | 0 |
| 1,423 | | 1,586 | 1,704 | 1,419 | Cr 285 | | Cr 249 | 0 |
| 2,029 | Recreation Culture | 1,902 | 1,918 | 1,958 | 40 | 4 | 40 | 0 |
| 4,882 | Libraries | 4,656 | 4,914 | 5,094 | 180 | 5 | 200 | 0 |
| 243 | Town Centre Management & Business Support | 240 | 250 | 250 | 0 | | 0 | 0 |
| 7,154 | | 6,798 | 7,082 | 7,302 | 220 | | 240 | 0 |
| 8,561 | Total Controllable R&R Portfolio | 8,370 | 8,772 | 8,707 | Cr 65 | | Cr 9 | 0 |
| 9,276 | TOTAL NON CONTROLLABLE | 2,577 | 2,601 | 2,531 | Cr 70 | 6 | 0 | 0 |
| 2,215 | TOTAL EXCLUDED RECHARGES | 2,275 | 2,261 | 2,261 | 0 | | 0 | 0 |
| 20,052 | PORTFOLIO TOTAL | 13,222 | 13,634 | 13,499 | Cr 135 | | Cr 9 | 0 |

Reconciliation of Latest Approved Budget

£'000

Original budget 2014/15

13,222

Repairs & Maintenance

17

Local Plan Implementation

60

Business Support Scheme- Grant Related Expenditure

23

Business Support Scheme- Grant Related Income

Cr 23

Discretionary rate relief returned to the General Fund

Cr 6

Radio Frequency Identification Data

275

Biggin Hill Development

55

Increase in annual insurance premiums

7

Allocation of Merit Awards

4

Latest Approved Budget for 2014/15

13,634

REASONS FOR VARIATIONS

1. Building Control Cr £25k

For the chargeable service, an income deficit of £80k is anticipated based on information to date. This is being more than offset by a projected underspend within salaries of £100k arising from reduced hours working / vacancies, and £4k within running expenses. In accordance with Building Account Regulations, the net surplus of £30k will be carried forward via the earmarked reserve for the Building Control Charging Account.

Within the non-chargeable service, as a result of delays in not appointing to vacant posts, there is a projected underspend of £25k.

2. Planning Cr £182k

Income from non-major planning applications is £98k above budget for the first ten months of the year, and a surplus of £115k is projected for the year. For information, actual income received for April to January is £125k higher than that received for the same period last year.

For major applications, £277k has been received as at 31st January. Planning officers within the majors team have estimated that from the additional potential income that may be received in the coming months, around £63k will be received by year-end. This allows for delays in some of the income being received, as well as other items not being received at all. A surplus of £40k is therefore projected for major applications at this stage of the year.

There is projected surplus income of £85k from pre-application meetings due to higher than budgeted activity levels.

Across other income streams, there is a projected income surplus of £40k. £10k of this relates to the discharge of planning conditions and £30k is within street naming & numbering largely due to several one-off items received to date in 2014-15.

Following several recent departures across the service, there is a projected underspend on staffing budgets of £7k

Within legal expenses, there is a projected overspend of £75k. This is the combination of appeal costs where claims have been submitted to the Council following successful appeals e.g. Conquest House, and the costs of a public enquiry for The Porcupine, where costs are being incurred for consultants to provide specialist advice.

There is an overspend across other running expenses of £30k which mainly relates to staff advertising / recruitment costs to fill vacant posts that are needed to meet the additional work due to the increase in the number of planning applications received.

| Summary of variations within Planning: | | £'000 |
|---|-----------|--------------|
| Surplus income from non-major applications | Cr | 115 |
| Surplus income within major applications | Cr | 40 |
| Surplus pre-application income | Cr | 85 |
| Surplus across other income streams | Cr | 40 |
| Underspend within staffing | Cr | 7 |
| Overspend on other running expenses | | 30 |
| Overspend on legal expenses | | 75 |
| Total variation for planning | Cr | 182 |

3. Renewal Cr £78k

Within salaries, there is a projected net underspend of £18k. This has arisen due to a combination of departing staff being replaced at the lower end of the salary scale, and a secondment to Resources not being back-filled for 6 months.

The Executive agreed to carry forward £60k in June 2014 for the preparation of the Borough's Local Plan (LP). This was intended to fund the examination of the plan in public and associated work which are now due to take place later than expected - potentially not until 2016/17. However, the precise timing of the examination is determined by the Planning Inspectorate and is therefore outside the Council's control. A request will be made to the June Executive to carry forward the unspent £60k in order to meet the future costs of the examination in public and to undertake any further evidence work required.

4. Culture Dr £40k

A budget saving of £150k was built into the culture budget for 2014/15 in anticipation that a review of the service would deliver the necessary savings. To date only £90k savings have been identified, leaving a budget gap of £60k. Further savings have been identified to ensure a balanced budget from April 2015.

There is a projected underspend within staffing budgets of £20k due to recruitment delays, reducing the overall net deficit for the service to Dr £40k.

5. Libraries Dr £180k

As part of the budget setting process for 2014/15, savings of £300k were built into the library budget. Detailed consultations have taken place with both staff and the public over the last few months about options to reduce opening hours. The installation of the Radio Frequency Identification Data system (RFID) in the remaining 9 libraries will be undertaken in the next two months and it is expected that only part year savings of £100k will be achieved this financial year. The full £300k savings will be achieved from April 2015.

Due to a few recent vacancies, the staffing budget is expected to be £20k lower than previously expected. The posts have been covered by casual staff until the positions are filled. The overall net deficit projected for the service has therefore been reduced to Dr £180k.

6. Non-controllable budgets Cr £70k

For information here, the variation relates to a net surplus within property rental income across the Renewal & Recreation portfolio. Property division are accountable for these variations.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. No waivers over £50k have been approved since the last report to the Executive.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, no virements have been actioned.

Resources Portfolio Budget Monitoring Summary

| 2013/14 Actual £'000 | Financial Summary | 2014/15 Original Budget £'000 | 2014/15 Latest Approved £'000 | 2014/15 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|-------------------------|--|----------------------------------|----------------------------------|------------------------------------|--------------------|--------|----------------------------------|---------------------------|
| | CHIEF EXECUTIVE'S DEPARTMENT | | | | | | | |
| | FINANCIAL SERVICES DIVISION | | | | | | | |
| | Financial Services & Procurement | | | | | | | |
| 1,552 | Exchequer - Payments & Income | 1,687 | 1,688 | 1,713 | 25 | 1 Cr | 7 | |
| 4,270 | Exchequer - Revenue & Benefits | 6,697 | 6,431 | 5,685 | Cr 746 | 2 Cr | 319 | |
| 186 | Finance Director & Other | 193 | 193 | 196 | 3 | | 0 | |
| 557 | Financial Accounting | 598 | 602 | 568 | Cr 34 | 3 Cr | 31 | |
| 1,580 | Management Accounting & Systems | 1,653 | 1,651 | 1,591 | Cr 60 | 4 Cr | 20 | |
| 337 | Procurement | 410 | 441 | 443 | 2 | | 1 | |
| 8,482 | Total Financial Services Division | 11,238 | 11,006 | 10,196 | Cr 810 | | Cr 376 | 0 |
| | CORPORATE SERVICES DIVISION | | | | | | | |
| 4,391 | Information Systems & Telephony | 4,512 | 4,667 | 4,441 | Cr 226 | 5 Cr | 59 | |
| | Operational Property Services | | | | | | | |
| Cr 3 | CDM | 0 | 0 | 0 | 0 | | 0 | |
| 146 | Client & Facilities Services | 153 | 154 | 152 | Cr 2 | } 6 Cr | 2 | |
| 42 | Property Services Planned | 1 | 1 | 102 | 101 | | 79 | |
| 244 | Property Services Reactive | 176 | 216 | 233 | 17 | | 49 | |
| 1,923 | Repairs & Maintenance (All LBB) | 1,886 | 2,293 | 2,041 | Cr 252 | 7 Cr | 170 | 191 |
| | Customer Services & Bromley Knowledge | | | | | | | |
| 100 | Bromley Knowledge | 10 | 10 | 10 | 0 | | 0 | |
| 832 | Contact Centre | 831 | 898 | 944 | 46 | 8 | 46 | |
| | Legal Services & Democracy | | | | | | | |
| 1,490 | Democratic Services | 1,539 | 1,540 | 1,446 | Cr 94 | 9 Cr | 75 | |
| 317 | Electoral | 310 | 310 | 265 | Cr 45 | 10 Cr | 11 | |
| 1,625 | Legal Services | 1,583 | 1,584 | 1,554 | Cr 30 | 11 Cr | 15 | |
| Cr 118 | Registration of Births, Deaths & Marriages | Cr 93 | Cr 93 | Cr 78 | 15 | 12 | 14 | |
| 1,850 | Admin. Buildings | 1,838 | 1,798 | 1,635 | Cr 163 | 13 Cr | 108 | |
| 461 | Facilities & Support | 484 | 486 | 465 | Cr 21 | 14 Cr | 30 | |
| 166 | Management and Other (Corporate Services) | 166 | 166 | 166 | 0 | | 0 | |
| 13,466 | Total Corporate Services Division | 13,396 | 14,030 | 13,376 | Cr 654 | | Cr 282 | 191 |
| | HR DIVISION | | | | | | | |
| 1,379 | Human Resources | 1,521 | 1,526 | 1,499 | Cr 27 | 15 Cr | 74 | |
| 1,379 | Total HR Division | 1,521 | 1,526 | 1,499 | Cr 27 | | Cr 74 | 0 |
| | CHIEF EXECUTIVE'S DIVISION | | | | | | | |
| 766 | Audit | 846 | 847 | 735 | Cr 112 | 16 Cr | 94 | |
| 110 | Comms | 210 | 210 | 201 | Cr 9 | 17 | 0 | |
| 641 | Management and Other (C. Exec) | 588 | 590 | 589 | Cr 1 | 18 | 44 | |
| 144 | Mayoral | 178 | 178 | 141 | Cr 37 | 19 Cr | 36 | Cr 32 |
| 1,661 | Total Chief Executive's Division | 1,822 | 1,825 | 1,666 | Cr 159 | | Cr 86 | Cr 32 |
| | TRANSFORMATION & REGENERATION DIVISION | | | | | | | |
| | Strategic Property Services | | | | | | | |
| 254 | Investment & Non-Operational Property | 397 | 408 | 260 | Cr 148 | 20 Cr | 120 | |
| 559 | Strategic Property Services | 619 | 620 | 579 | Cr 41 | 21 Cr | 7 | |
| Cr 4,869 | Investment Income | Cr 6,345 | Cr 6,356 | Cr 5,702 | 654 | 22 | 738 | 106 |
| Cr 802 | Other Rental Income - Other Portfolios | Cr 780 | Cr 794 | Cr 829 | Cr 35 | 23 Cr | 17 | |
| Cr 4,858 | Total Transformation & Regeneration Division | Cr 6,109 | Cr 6,122 | Cr 5,692 | 430 | | 594 | 106 |
| 20,130 | Total Controllable Departmental Budgets | 21,868 | 22,265 | 21,045 | Cr 1,220 | | Cr 224 | 265 |
| | CENTRAL ITEMS | | | | | | | |
| 7,610 | CDC & Non Distributed Costs (Past Deficit etc.) | 7,450 | 7,450 | 7,450 | 0 | | 0 | |
| 9,650 | Concessionary Fares | 9,900 | 10,433 | 10,425 | Cr 8 | | 0 | |
| 37,390 | Total Controllable | 39,218 | 40,148 | 38,920 | Cr 1,228 | | Cr 224 | 265 |

| 2013/14 Actual £'000 | Financial Summary | 2013/14 Original Budget £'000 | 2013/14 Latest Approved £'000 | 2013/14 Projected Outturn £'000 | Variation £'000 | Notes | Variation Last Reported £'000 | Full Year Effect £'000 |
|-------------------------|--|----------------------------------|----------------------------------|------------------------------------|--------------------|-------|----------------------------------|---------------------------|
| 6,117 | Total Non Controllable | 2,032 | 2,032 | 2,032 | 0 | | 0 | |
| Cr 19,007 | Total Excluded Recharges | Cr 20,013 | Cr 20,013 | Cr 20,013 | 0 | | 0 | |
| Cr 1,382 | Less: R&M allocated across other Portfolios | Cr 1,531 | Cr 1,569 | Cr 1,470 | 99 | | 0 | |
| 802 | Less: Rent allocated across other Portfolios | 780 | 794 | 829 | 35 | | 17 | |
| 23,920 | TOTAL CHIEF EXECUTIVE'S DEPARTMENT | 20,486 | 21,392 | 20,298 | Cr 1,094 | | Cr 207 | 265 |
| 23,920 | TOTAL RESOURCES PORTFOLIO | 20,486 | 21,392 | 20,298 | Cr 1,094 | | Cr 207 | 265 |
| | Memorandum Item | | | | | 24 | | |
| | Sold Services | | | | | | | |
| Cr 4 | Audit (Schools) Trading Account | 0 | 0 | Cr 4 | Cr 4 | | 0 | |
| Cr 1 | Health & Safety Schools Trading Account | Cr 3 | Cr 3 | Cr 15 | Cr 12 | | 0 | |
| Cr 15 | HR Schools Trading Account | 24 | 24 | 39 | 15 | | Cr 6 | |
| Cr 43 | Finance Schools Trading Account | Cr 13 | Cr 13 | Cr 11 | 2 | | Cr 20 | |
| 8 | Facilities (Caretaking) Schools Trading Account | 0 | 0 | 24 | 24 | | 24 | |
| Cr 3 | Reactive Maintenance Schools Trading Account | 0 | 0 | 2 | 2 | | 1 | |
| Cr 58 | Total Sold Services | 8 | 8 | 35 | 27 | | Cr 1 | 0 |

Reconciliation of Final Budget**£'000****Original budget 2014/15****20,486**

Repairs and Maintenance carry forward from 2013-14

369

Transfer budget for NNDR Discretionary Relief to contingency

Cr 218

Concessionary Fares

533

Carbon Tax

31

Customer Services Centre

40

Carry forward Requests drawn down from Central Contingency

131

Increase in insurance costs

0

Allocation of Staff Merit Rewards

20

Funding for change in Benefit legislation relating to persons from abroad

- expenditure

9

- income

Cr 9

Real Time Information - New Burdens Funding

- expenditure

7

- income

Cr 7

Latest Approved Budget for 2014/15**21,392**

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1 Exchequer Services - Payments & Income - £25k

An overspend of £25k is projected for Payments & Income. This mainly results from a reduction in the expected level of income from charging policy income.

2 Exchequer Services - Revenue & Benefits - £746k Cr

An underspend of £746k Cr is projected for Revenue and Benefits in total. An underspend of £400k Cr is expected on the Welfare Fund. There has been a lower level of claims than was budgeted (and was expected by the DWP), however this is in line with the 13-14 final outturn position. A report to the Portfolio Holder in July 14 recommended that any underspends for 2013-14 and 2014-15 should be used to fund the a "White Goods & Furniture" Scheme in 2015-16. A £75k Cr underspend is expected on the Hardship Fund as a result of the reduced liability to individuals compared to budget assumptions.

Liberata have exceeded their collection targets and this is likely to result in the payment of incentive payments of £90k. This is offset by a variation of £33k Cr on the provision for last years incentive payments. Also, negotiations with Liberata have resulted in a reduced contract cost of £95k Cr this year.

The income from court costs recovered is difficult to forecast accurately, however this years budget has been more than achieved, and additional income of £150k Cr is now projected. Also there is a projected underspend of £73k Cr relating to vacant posts for which there are no plans to fill this financial year. Other minor variations total £10k Cr.

Savings of £275k Cr have been built into the 15-16 draft budget relating to the contract budget, licences and support and court cost recovered.

3 Financial Accounting - £34k Cr

This variation mainly relates to staff vacancies in the Financial Accounting team.

4 Management Accounting & Systems - £60k Cr

An underspend of £60k Cr, mainly relates to various areas having vacant posts which there are no plans to fill in this financial year.

CORPORATE SERVICES DIVISION

5 Information Systems & Telephony - £226k Cr

An underspend of £226k Cr is projected for ISD. £88k Cr relates to the Vacant Head of IT post. A further £50k Cr is due to work delays by the contractor relating to the use of Contract Resource Days. A £43k Cr underspend is expected on contracts, as a result of negotiations with the contractor to reduce this years contract price. In addition, a £43k Cr variation is expected on the provision made for last years retention payments. Other minor variations net out to £2k Cr. This projection is very dependant upon the level of work which can be completed at 31st March by contractors and as such could change further at the year end.

6 Operational Property Services £116k Dr

The latest forecast for Operational Property is a net overspend of £116k. This comprises of the following :

An overspend of £101k Dr is projected for the planned service in 14-15. In previous years, the 10% management fee recharged to Education capital schemes has contributed towards the cost of the service's corporate work. Due to the number of academy conversions, the total recharge has reduced significantly over the past couple of years. However, unlike other council sold services, this has not been matched by an increase in income, as the majority of academies have opted not to buy in to this service.

This recharge reduction has been partially offset this year by the deletion of one post in the team following a voluntary redundancy, and an ongoing virement of £40k was also actioned to help mitigate the problem. The shortfall is likely to get worse as the remaining schools convert to academy status, and the service cannot reduce staffing levels further without causing operational issues. The 14-15 budget assumes funding of approx. £200k from school related works (10% charges on works of approx. £2M). The latest capital programme suggests that this work will fall out in 16-17. It is projected that the shortfall will increase to £117k in 15-16 and £191K in 16-17.

A net overspend of £17k Dr is projected for the reactive service. This mainly relates to a reduction in the take-up of the caretaking service (Trading account) and is expected to result in a controllable shortfall of £24k Dr. Other minor variations total £ 7k Cr.

An underspend of £2k Cr is projected for client services.

7 Repairs & Maintenance (All LBB) £252k Cr

A net underspend of £252k Cr is projected for R & M. Underspends are anticipated in the following areas: Anerley Town Hall Subsistence Works £175k Cr, Beckenham Spa Lift £80k Cr, Beckenham Library Heating £60k Cr, Water Hygiene £49k Cr, Civic Electrical Testing £15k Cr and Asbestos £13k Cr. These underspends are offset by additional unplanned expenditure of £80k and Cyclical works of £82k. Other variations total 22K Cr.

General note - The Property & Finance Sub-Committee, in December 2001, agreed that a carry forward could be made at the end of each financial year of revenue underspends on landlord building maintenance on the basis that Property will continue to seek to contain total expenditure within approved annual budgets.

8 Contact Centre £46k Dr

Proposed savings, mainly relating to channel shift, of £46k were built into the 2014-15 budget. It had been hoped that these savings would have been achieved by the transfer of functions in to the Contact Centre. Unfortunately, there have been delays in progressing the transfer of functions, and it is unlikely that the savings will be achieved this financial year.

9 Democratic Services - £94k Cr

An underspend of £94k Cr is projected for Democratic Services. A freeze in Members Allowance rates, and the removal of Members from the pension scheme from June 14, has resulted in an expected underspend of £112k Cr. This is offset by additional costs of £29k relating to the purchase of IPADs. Other net minor variations of £11k Cr make up the difference. Savings of £80k Cr on Members Allowances and £34k Cr on Members IT have been built into the 15-16 draft budget.

10 Electoral Services - £45k Cr

An underspend of £45k Cr is projected on Electoral Services. £23K Cr relates to the by-election budget as no by-elections are expected before the end of the financial year. Additional income from sales of the register and minor underspends total £22k Cr.

11 Legal Services - £30k Cr

An underspend of £30k Cr is predicted for legal services. £15k Cr relates to vacant posts and a further £15k Cr is due to additional income from property purchases recently completed. WIP calculations will be reviewed as part of the year end process, but at this stage assumptions have been made that current figures will be similar to previous years.

12 Registrar Service - £15k Dr

An overspend of £15k is currently projected for the Registrar Service. This is attributed to a potential shortfall in income of £15k. Income received so far this year from Nationality Checking and Citizenship Ceremonies has been less than anticipated. Changes imposed by the Home Office, and backlogs, are influencing this reduction in income.

13 Admin Buildings - £163k Cr

An underspend of £163k Cr is projected for Admin Buildings. A £22k Cr reduction in salary costs is expected following the flexible retirement of an office attendant and the effects of a previous re-structuring which resulted in staff working reduced hours. Underspends on gas, carbon management contribution, NNDR, rubbish clearing and other misc. savings are now generating a surplus of £67k Cr. A revised underspend of £83k Cr is anticipated on the office cleaning contract following re-tendering of the service. These underspends are offset by a shortfall in car parking income of £7k Dr plus £2k Dr minor variations. Savings of £85k Cr have been built into the 15-16 draft budget, relating to contract cleaning and office attendants.

14 Facilities & Support - £21k Cr

An underspend of £21k Cr is projected for Facilities and Support. A vacant post within office services, and a retirement in the caretaking section result in a £31k reduction in salary costs. Both posts are being covered within the establishment. This underspend is being offset by additional running costs of £10k Dr.

HR DIVISION

15 Human Resources - £27k Cr

The HR Division is projecting an underspend of £27k Cr. Salary underspends of £47k Cr are expected relating to: HR Strategy £13k Cr, the re-structure of HR Operations £4k Cr, delays in recruiting interns £16k Cr, and Learning & Development £14k Cr. This is offset by a projected overspend on £31k on running expenses and a £11k Cr surplus on income.

CHIEF EXECUTIVE'S DIVISION

16 Audit - £112k Cr

An underspend of £112k Cr is projected for Audit. A reduction of £53k Cr has been negotiated on the cost of the Greenwich Fraud contract. The Audit Commission has made a one-off rebate of £21k Cr for external audit fees and reduced staff costs of £31k Cr are projected. Other minor variation total £7k Cr.

17 Comms - £9k Cr

An underspend of £9k Cr is projected on Comms relating to supplies and services.

18 Management & Other - £1k Cr

An underspend of £1k Cr is now projected for Management & Other. This relates to reduced costs for the London Council's Subscription, Corporate Publications and LLA bill budgets.

19 Mayoral - £37k Cr

An underspend of £40k Cr is projected for Mayoral Services staffing. This relates to a Mayoral attendant post and the Mayoral Service manager post. The service has now been re-structured in order to contribute towards savings built into the 14-15 Budget for the Chief Executive's Division. Other minor variations total £3k Dr and reduce the overall position to £37k Cr.

TRANSFORMATION & REGENERATION DIVISION

20 Investment and Non-Operational Property (expenditure) £148k Cr

The 2014/15 forecast for expenditure on Investment and Non Operational Property is an underspend of £148k. This includes the following items:

- a) Sundry Properties - An underspend of £13k Cr is projected for utilities. The projections have now been refined as there has been no actual spend.
- b) Anerley Business Centre - An underspend of £12k Cr is projected which mainly relates to business rates. This projection assumes a new telephone system will be purchased at the cost of £20.5k.
- c) Surplus Properties - An overspend of £60k Dr is projected. This relates to additional costs of £26k Dr for utilities, £23k Dr for business rates, £9k Dr for the security at Oakfield and minor variation of £2k. This reflects a improved position as a result of cost for Manorfields being transferred to housing.
- d) Bromley Old Town Hall (the building is vacant and listed) - An underspend of £183k Cr is expected which consists of £27k Cr on premises, £101k Cr on business rates, £30k Cr on other hired and contracted services, £20k Cr on security costs and £5k Cr on pest control.

21 Strategic Property Services £41k Cr

An underspend of £41k Cr is projected for Strategic Property Services. This consists of £28k Cr for income due to one off fees relating to Isard House, £8k Cr due to a Technical Support Assistant post which was vacant for seven months and £5k Cr relates to other minor items.

22 Investment Income £654k Dr

This variation mainly relates to the projected shortfall in income from Investment Fund properties. The 2014/15 budget for these properties is £2,025k. A number of High Street properties have been purchased costing £28.7M and the income projected for these properties is £1,191k this financial year. Another property was recently purchased for £3.75M resulting in further income this year of £42k. The estimated shortfall in 14-15 is £792k. The full year income for all these properties would be £1,919k resulting in a full year shortfall of £106k. Further acquisitions are currently being explored.

In addition to the above, a shortfall in income of £73k is projected for the Walnuts Head Rent based upon information from Garden Property Investments Ltd and our Principal Valuer. This budget has been realigned for 15-16.

Other variations in rental income net out to £211k Cr.

23 Other Rental Income - Other Portfolios £35k Cr

Various minor variations net out to £35k Cr.

24 Sold Services (Net Budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Early Warning

INTU have recently been granted planning approval for a proposed new development at The Glades Shopping Centre, which involves internal alterations and extending on to the roof to provide a Cinema and new restaurants. These works are currently estimated to cost approx. £ 14M. INTU are still working on their detailed proposals for this project, and have not yet requested Bromley's consent as Landlord and approval for funding. It is assumed, however, that they will want to proceed with this scheme in due course and Bromley's contribution to the cost of these works, under the existing leasing arrangements, would be approx. £2.1M. A detailed report will be submitted to Members, including proposed funding arrangements, once INTU have made a formal request and provided the business case.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, the following waivers have been actioned :

Exemption from the need for three competitive quotes for award of five year contract for the provision of Treasury Management services. Annual contract value £9,185 (rising to £10,185 in year 5). New contract period 1.1.15 to 31.12.19. Whole life value £48,425. Approval based on CPR 13.1 - Agreement of the Chief Officer to waive the need for competitive quotes.

Extension of contract for Occupational Health for a further 2 years for the period 1.4.15. to 31.3.17. This is the 4th extension . Annual contract value £106k. Original contract period 1.8.05 to 31.7.10. Whole life value of £1,084k . Approval based on CPR 13.1 - Agreement of the Chief Officer to waive the need for competitive quotes in agreement with Director of Corporate Services, Director of Finance and Portfolio Holder.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of There are no new virements to report this cycle.

Allocation of Contingency Provision for 2014/15

| Item | Original Contingency Provision | Allocations | | | | Variation to Original Contingency Provision |
|---|--------------------------------|---------------------------|--------------------------------|---------------------------------------|---------------------------------------|---|
| | | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/ Projected for Year | |
| | £ | £ | £ | £ | £ | £ |
| Environmental Services | | | | | | |
| Street Environment contract | 200,000 | | | 200,000 | 200,000 | 0 |
| Renewal and Recreation | | | | | | |
| Planning appeals - change in legislation | 60,000 | | | 60,000 | 60,000 | 0 |
| Resources | | | | | | |
| Net shortfall of Glades income | 114,000 | | | 114,000 | 114,000 | 0 |
| Care Services | | | | | | |
| Additional spend related to funding from NHS support for Social Care | | | | | | |
| - expenditure | 1,195,200 | 992,000 | | 204,250 | 1,196,250 | (6) |
| - income | Cr 1,195,200 | Cr 992,000 | | Cr 204,250 | Cr 1,196,250 | Cr 1,050 |
| Additional spend related to funding from Public Health | | | | | | |
| - expenditure | 352,800 | | | 0 | 0 | Cr 352,800 |
| - income | Cr 352,800 | | | Cr 352,800 | Cr 352,800 | 0 |
| Winter Resilience Funding (grant CCG) | | | | | | |
| - Increase Care Packages | | | | 500,000 | 500,000 | 500,000 |
| - Increase Equipment Costs | | | | 180,288 | 180,288 | 180,288 |
| - Income | | | | Cr 680,288 | Cr 680,288 | Cr 680,288 |
| Education | | | | | | |
| Net impact of reduction in funding arising from LACSEG | 1,960,000 | | | 519,000 | 519,000 | Cr 1,441,000 |
| General | | | | | | |
| Provision for unallocated inflation | 792,000 | 242,320 | | 0 | 242,320 | Cr 549,680 |
| Provision for risk/uncertainty | 1,840,000 | 275,000 | | 1,565,000 | 1,840,000 | (3) |
| Provision for cost pressures arising from variables | 2,000,000 | | | 2,000,000 | 2,000,000 | 0 |
| Provision for homelessness (impact of recession/ changes to welfare benefits) | 1,200,000 | 1,200,000 | | 0 | 1,200,000 | (5) |
| Provision for risk/uncertainty relating to volume and cost pressures | 1,120,000 | | | 1,120,000 | 1,120,000 | 0 |
| Freedom Passes | 614,000 | 533,277 | | 0 | 533,277 | (3) |
| Cost of Local Elections | 500,000 | | | 450,000 | 450,000 | Cr 50,000 |
| Carbon tax | 300,000 | 31,000 | | 0 | 31,000 | (3) |
| Grants to voluntary organisations | 275,000 | | | 0 | 0 | Cr 275,000 |
| Disabled Facilities Grant Revenue Cont.to Capital | 232,000 | | | 0 | 0 | Cr 232,000 |
| Impact of Auto Enrolment | 200,000 | | | 0 | 0 | Cr 200,000 |
| Further increases in fuel costs | 190,000 | | | 0 | 0 | Cr 190,000 |
| Discretionary rate relief budgets returned to Contingency | | Cr 224,890 | | 0 | Cr 224,890 | Cr 224,890 |
| Deprivation of Liberty Safeguards | | 163,345 | | 0 | 163,345 | (7) |
| Biggin Hill Development | | 55,000 | | 0 | 55,000 | (7) |
| Funding set aside from underspends in 2014/15 contingency | | 558,000 | | 0 | 558,000 | (8) |
| | 11,597,000 | 2,833,052 | 0 | 5,675,200 | 8,508,252 | Cr 3,088,748 |
| Grants included within Central Contingency Sum | | | | | | |
| SEN Reform Grant | | | | | | |
| Grant related expenditure | 381,937 | 381,937 | | 0 | 381,937 | (1) |
| Grant related income | Cr 381,937 | Cr 381,937 | | 0 | Cr 381,937 | 0 |
| SEND Pathfinder Champion Grant | | | | | | |
| Grant related expenditure | 44,600 | 71,063 | | 0 | 71,063 | (5) |
| Grant related income | Cr 44,600 | Cr 71,063 | | 0 | Cr 71,063 | Cr 26,463 |
| Lead Local Flood Authorities | | | | | | |
| Grant related expenditure | 253,000 | 250,000 | | 0 | 250,000 | (3) |
| Local Reform and Community Voices | | | | | | |
| Grant related expenditure | 89,570 | 88,060 | | 0 | 88,060 | (1&2) |
| Grant related income | Cr 89,570 | Cr 88,060 | | Cr 1,510 | Cr 89,570 | Cr 1,510 |
| Adoption Reform | | | | | | |
| Grant related expenditure | 273,154 | | | 273,154 | 273,154 | 0 |
| Grant related income | Cr 273,154 | | | Cr 273,154 | Cr 273,154 | 0 |
| Tackling Troubled Families Grant | | | | | | |
| Grant related expenditure | 426,400 | | | 318,000 | 318,000 | Cr 108,400 |
| Grant related income | Cr 426,400 | | | Cr 318,000 | Cr 318,000 | 108,400 |
| London Waste & Recycling Board | | | | | | |
| - expenditure | | Cr 145,000 | | 0 | Cr 145,000 | (1) |
| - income | | 145,000 | | 0 | 145,000 | 145,000 |
| Welfare Reform | | | | | | |
| - expenditure | | 66,463 | | 0 | 66,463 | (4) |
| - income | | Cr 66,463 | | 0 | Cr 66,463 | Cr 66,463 |
| Individual Electoral Registration Process | | | | | | |
| - expenditure | | 102,335 | | 0 | 102,335 | (3) |
| - income | | Cr 102,335 | | 0 | Cr 102,335 | Cr 102,335 |
| Care Bill Implementation Grant | | | | | | |
| - expenditure | | | | 125,000 | 125,000 | 125,000 |
| - income | | | | Cr 125,000 | Cr 125,000 | Cr 125,000 |
| SEND Implementation Grant | | | | | | |
| - expenditure | | 151,960 | | 107,357 | 259,317 | (5) |

| Item | Original Contingency Provision | Allocations | | | | Variation to Original Contingency Provision |
|--|--------------------------------|---------------------------|--------------------------------|---------------------------------------|---------------------------------------|---|
| | | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/ Projected for Year | |
| | £ | £ | £ | £ | £ | £ |
| - income | | Cr 151,960 | | Cr 107,357 | Cr 259,317 | Cr 259,317 |
| Staying Put Implementation Grant | | | | | | |
| - expenditure | | 36,487 | | | 36,487 | (4) 36,487 |
| - income | | Cr 36,487 | | | Cr 36,487 | Cr 36,487 |
| Additional grant for administration re change in Benefit legislation relating to persons from abroad | | | | | | |
| - expenditure | | 9,225 | | 0 | 9,225 | 9,225 |
| - income | | Cr 9,225 | | 0 | Cr 9,225 | Cr 9,225 |
| Additional grant for administration from DWP re Real Time Information - New Burdens Funding | | | | | | |
| - expenditure | | 6,916 | | 0 | 6,916 | 6,916 |
| - income | | Cr 6,916 | | 0 | Cr 6,916 | Cr 6,916 |
| Helping people Home | | | 120,000 | | 120,000 | 120,000 |
| - expenditure | | | Cr 120,000 | | Cr 120,000 | Cr 120,000 |
| - income | | | | | | |
| Total Grants | 253,000 | 250,000 | 0 | Cr 1,510 | 248,490 | Cr 4,510 |
| TOTAL CARRIED FORWARD | 11,850,000 | 3,083,052 | 0 | 5,673,690 | 8,756,742 | Cr 3,093,258 |

Notes:

- (1) Approved by Executive 2nd April 2014
- (2) Approved by Executive 10th June 2014
- (3) Approved by Executive 16th July 2014
- (4) Approved by Executive 10th September 2014
- (5) Approved by Executive 15th October 2014
- (6) Approved by Executive 21st November 2014
- (7) Approved by Executive 11th February 2015
- (8) Approved by Council 23rd February 2015

Allocation of Contingency Provision for 2013/14 (continued)

| Item | Carried Forward from 2012/13 | Allocations | | | | Variation to Original Contingency Provision |
|---|------------------------------|---------------------------|--------------------------------|---------------------------------------|---------------------------------------|---|
| | | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/ Projected for Year | |
| | £ | £ | £ | £ | £ | £ |
| TOTAL BROUGHT FORWARD | 11,850,000 | 3,083,052 | 0 | 5,673,690 | 8,756,742 | Cr 3,093,258 |
| Items Carried Forward from 2013/14 | | | | | | |
| Care Services | | | | | | |
| Social Care Funding via the CCG under S256 (Invest to Save) | | | | | | |
| - expenditure | 840,920 | 488,920 | | 352,000 | 840,920 | (3) 0 |
| - income | Cr 840,920 | Cr 488,920 | | Cr 352,000 | Cr 840,920 | 0 |
| Older People Day Opportunities Year 2 | | | | | | |
| - expenditure | 264,390 | 264,390 | | 0 | 264,390 | (4) 0 |
| - income | Cr 264,390 | Cr 264,390 | | 0 | Cr 264,390 | 0 |
| Adult Care Gateway review - Care Bill | | | | | | |
| - expenditure | 248,680 | 248,680 | | 0 | 248,680 | (3) 0 |
| - income | Cr 248,680 | Cr 248,680 | | 0 | Cr 248,680 | 0 |
| Children's Social care Year 3 | | | | | | |
| - expenditure | 23,600 | 23,600 | | 0 | 23,600 | (6) 0 |
| - income | Cr 23,600 | Cr 23,600 | | 0 | Cr 23,600 | 0 |
| Public Health S256 | | | | | | |
| - expenditure | 43,920 | 43,920 | | 0 | 43,920 | (7) 0 |
| - income | Cr 43,920 | Cr 43,920 | | 0 | Cr 43,920 | 0 |
| HealthWatch start up Funding | | | | | | |
| - expenditure | 4,350 | | | 4,350 | 4,350 | 0 |
| - income | Cr 4,350 | | | Cr 4,350 | Cr 4,350 | 0 |
| Adoption Reform | | | | | | |
| - expenditure | 485,269 | 345,700 | | 139,569 | 485,269 | (9) 0 |
| - income | Cr 485,269 | Cr 345,700 | | Cr 139,569 | Cr 485,269 | 0 |
| Tackling Troubled Families | | | | | | |
| - expenditure | 904,071 | 764,000 | | 140,071 | 904,071 | (3) 0 |
| - income | Cr 904,071 | Cr 764,000 | | Cr 140,071 | Cr 904,071 | 0 |
| Step Up to Social Work | | | | | | |
| - expenditure | 72,159 | | | 72,159 | 72,159 | 0 |
| - income | Cr 72,159 | | | Cr 72,159 | Cr 72,159 | 0 |
| Public Health | | | | | | |
| - expenditure | 768,900 | 98,000 | | 670,900 | 768,900 | (2) 0 |
| - income | Cr 768,900 | Cr 98,000 | | Cr 670,900 | Cr 768,900 | 0 |
| Public Health Transition Funding | | | | | | |
| - expenditure | 42,264 | 42,264 | | 0 | 42,264 | (8) 0 |
| - income | Cr 42,264 | Cr 42,264 | | 0 | Cr 42,264 | 0 |
| Chief Executive's | | | | | | |
| CCG Funding to Comms Team | | | | | | |
| - expenditure | 9,806 | 9,806 | | 0 | 9,806 | (8) 0 |
| - income | Cr 9,806 | Cr 9,806 | | 0 | Cr 9,806 | 0 |
| Cabinet Office Funding | | | | | | |
| - expenditure | 22,260 | 22,260 | | 0 | 22,260 | (8) 0 |
| - income | Cr 22,260 | Cr 22,260 | | 0 | Cr 22,260 | 0 |
| Renewal & Recreation | | | | | | |
| Business Support Scheme | | | | | | |
| - expenditure | 22,500 | 22,500 | | 0 | 22,500 | (1) 0 |
| - income | Cr 22,500 | Cr 22,500 | | 0 | Cr 22,500 | 0 |
| General | | | | | | |
| Disaster Recovery Solution | 105,000 | 105,000 | | 0 | 105,000 | (8) 0 |
| Contact Centre | 26,342 | 26,342 | | 0 | 26,342 | (8) 0 |
| Welfare Fund | 441,996 | | | 0 | 0 | (5) Cr 441,996 |
| Staff Merit Awards (held in Contingency) | 151,941 | | | 151,941 | 151,941 | 0 |
| Local Plan Implementation | 60,000 | 60,000 | | 0 | 60,000 | (1) 0 |
| Children's Centres | 297,000 | 297,000 | | 0 | 297,000 | (3) 0 |
| Keston Ponds Dam | 65,000 | 65,000 | | 0 | 65,000 | (3) 0 |
| | 1,147,279 | 553,342 | 0 | 151,941 | 705,283 | Cr 441,996 |

| Item | Carried Forward from 2012/13 | Allocations | | | | Variation to Original Contingency Provision |
|---|------------------------------|---------------------------|--------------------------------|---------------------------------------|---------------------------------------|---|
| | | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/ Projected for Year | |
| Grants included within Central Contingency Sum | £ | £ | £ | £ | £ | £ |
| Adult Social Care Data | | | | | | |
| - expenditure | 30,674 | | | 30,674 | 30,674 | 0 |
| - income | Cr 30,674 | | | Cr 30,674 | Cr 30,674 | 0 |
| Total Grants | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Carried Forward | 1,147,279 | 553,342 | 0 | 151,941 | 705,283 | Cr 441,996 |
| GRAND TOTAL | 12,997,279 | 3,636,394 | 0 | 5,825,631 | 9,462,025 | Cr 3,535,254 |

Notes:

- (1) Approved by Renewal & Recreation PDS 23rd June 2014
- (2) Approved by Executive 12th February 2014
- (3) Approved by Executive 16th July & 10th September 2014
- (4) Approved by Executive 6th February 2013
- (5) To be used to support a revised welfare scheme in 15-16 (per E & R PDS 8.7.14)
- (6) Approved by Executive 20th June 2012
- (7) Approved by Care Services PDS October 2013
- (8) Approved by Executive 10th September 2014
- (9) Approved by Executive 15th October 2014

| Description | 2014/15 Latest Approved Budget £'000 | Variation To 2014/15 Budget £'000 | Potential Impact in 2015/16 |
|---|--|---|---|
| Education Services Grant | Cr 2,732 | 0 | The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and grant reduces in-year as schools convert to academies. The full year effect of the 17 conversions projected to take place during 2014/15 is £920k, and is included in the Council's 2015/16 budget. |
| Adult Education | Cr 601 | 269 | The current projected overspend for the Adult Education Service has continued from 2013/14, and is expected to continue into 2015/16. Some efficiency savings have been implemented to help contain this, however there is a total income shortfall of £366k, with only a net reduction of £97k on running costs to offset this. |
| Housing Needs - Temporary Accommodation | 5,778 | 0 | The full year effect of the current projections for temporary accommodation anticipated to be a pressure of £77k in 2015/16. This includes the £653k draw down from contingency in 2014/15 for the impact of welfare reforms approved by Executive on 15th Oct 2014. However, this only takes account of projected activity to the end of March 2015, and does not include any projected further growth in numbers beyond that point. Officers are currently modelling different scenarios to quantify the effect of further possible initiatives and also the most appropriate deployment of existing initiatives to maximise the financial benefit. The full year effect is included in the Council's budget for 2015/16. |
| Adult Care Placements | 49,528 | 1,330 | The net overspend on adult care placements is forecast to produce a full year overspend of £2,769k, based on activity to 31/3/15 only (i.e. doesn't include changes to activity levels in future years). The FYE has now been reflected in the 2015/16 budget. |
| Learning Disabilities Short Breaks Service | 647 | Cr 136 | An underspend of £66k is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget. |
| Learning Disabilities Housing & Support | 1,383 | Cr 115 | The underspend currently reported in 2014/15 is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget. |
| Information & Early Intervention | 1,385 | 41 | The overspend currently reported for 2014/15 is expected to continue into next year. The FYE has now been reflected in the 2015/16 budget. |
| Children's Social Care - Placements | 12,800 | Cr 679 | The full year effect of the current projection is calculated at a £347k underspend. Officers have continued to work towards increasing the number of in-house foster carers so that expensive external placements can be avoided. The FYE has now been reflected in the 2015/16 budget. |

| Description | 2014/15 Latest Approved Budget £'000 | Variation To 2014/15 Budget £'000 | Potential Impact in 2015/16 |
|--|--------------------------------------|-----------------------------------|--|
| Children's Social Care - No Recourse to Public Funds | 382 | 237 | The full year effect of clients who have no recourse to public funds and Bromley are having to pay for has been calculated at £198k based on current numbers after the increase in budget has been taken into account. The Welfare Reform changes currently being implemented may impact on this amount further. Officers will monitor the position and report any changes as part of the budget monitoring process during the year. The FYE has now been reflected in the 2015/16 budget. |
| Children's Social Care - Leaving Care Services for 16/17 year olds and 18+ | 478 | 447 | The full year effect of clients who have left care is currently calculated at £417k. This mainly relates to 16 and 17 year olds who are not able to claim housing benefits and the full cost of accommodation is payable by the council. The FYE has now been reflected in the 2015/16 budget. |
| Operational Property Services | 371 | 116 | There is an expected shortfall in charges to education and other capital schemes due to a reduction in the volume of work for schools and other establishments. The shortfall is likely to get worse as a result of the transfer of schools to Academies. The 14-15 budget assumes funding of approx. £200k from school related works (10% charges on works of approx. £2M). The latest capital programme suggests that this work will fall out in 16-17. It is projected that the shortfall will increase to £117k in 15-16 and £191K in 16-17. |
| Investment Income | Cr 6,356 | 654 | An ongoing income shortfall of £106k is currently projected. Income of £2,025k is budgeted in 14-15 for the investment in Property, however the expected full year income, from properties purchased to date, is £1,919k. Further property acquisitions are currently being explored. |
| Mayoral | 178 | Cr 37 | An on going underspend of £32k is projected for Mayoral Services. This relates to a vacant Mayoral attendant post. |
| Waste | 8,573 | 346 | Actual tonnage (excluding Garden Waste) is projected to be 1,800 tonnes above budget at the year end. There is also an increase in Garden Waste tonnages, and a year-end variation of 1,400 tonnes is projected. Other deficits include paper recycling income and trade waste collected, and a surplus within trade waste delivered. At this stage, it is expected these trends will continue into 2015/16 and a full-year effect of £700k is projected. The changes in tonnages reflect national trends are largely outside of our control. The full year effect of these variances has been built into the 2015/16 budget. Other variations will continue to be monitored closely during the coming months, with appropriate management taken to address the shortfall as part of the budget setting process. |

SECTION 106 RECEIPTS

Section 106 receipts are monies paid to the Council by developers as a result of the grant of planning permission where works are required to be carried out or new facilities provided as a result of that permission (e.g. provision of affordable housing, healthcare facilities & secondary school places). The sums are restricted to being spent only in accordance with the agreement concluded with the developer.

The major balances of Section 106 receipts held by the Council are as follows:

| 31 March | | | Transfers (to) | Actual |
|-----------------------|---|---------------|----------------------------------|---------------|
| 2014 | Service | Income | Expenditure /from Capital | as at |
| £000 | | £000 | £000 | 31 Jan |
| | | | £000 | 2015 |
| | | | | £000 |
| <u>Revenue</u> | | | | |
| 679 | Highway Improvement Works | | | 679 |
| 5 | CCTV | | 5 | - |
| 45 | Road Safety Schemes | | | 45 |
| 120 | Local Economy & Town Centres | | | 120 |
| 69 | Parking | | 12 | 57 |
| - | Landscaping | | | - |
| 727 | Healthcare Services | 41 | 25 | 743 |
| 40 | Community Facilities (to be transferred to capital) | | | 40 |
| 10 | Other | - | - | 10 |
| 1,695 | | 41 | 42 | 1,694 |
| <u>Capital</u> | | | | |
| 0 | Local Economy & Town Centres | | | - |
| 1,571 | Education | 369 | 456 | 1,484 |
| 4,461 | Housing | 748 | 435 | 4,774 |
| - | Community Facilities | | | - |
| 6,032 | | 1,117 | 891 | 6,258 |
| 7,727 | | 1,158 | 933 | 7,952 |

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Decision Maker: Executive

For Pre-Decision Scrutiny by the Education Budget Sub-Committee on:

Date: 3rd March 2015

Decision Type: Non-Urgent Executive Non-Key

Title: **PHASE 2:- DRAWDOWN OF GOVERNMENT (NEW BURDENS) GRANT FUNDING HELD IN CONTINGENCY TO SUPPORT THE LOCAL AUTHORITY IN IMPLEMENTING THE SPECIAL EDUCATIONAL NEEDS REFORMS**

Contact Officer: Mary Cava, SEN Implementation Manager
E-mail: Mary.Cava@bromley.gov.uk

Chief Officer: Executive Director of Education, Care & Health Services

Ward: All Wards

1. Reason for report

- 1.1 In order to meet statutory duties and deliver the reforms in SEND (Children & Families Act 2014) local authorities must change working arrangements, including the transition of statements to education care and health plans. Local authorities have three years to implement the transitions but must be statutory compliant in all other areas of change from September 1st 2014.
- 1.2 The government has provided **New Burdens Grants** commencing 2014/15 and continuing 2015/16 to deliver the reforms. The grant for 2014/15 was announced in August 2014, Executive Committee in October 2014 agreed draw down of part of the grant as requested with remainder to be ring fenced for later in the financial year.
- 1.3 Due to a range of factors including the lateness of grant announcement and the need to create temporary posts and engage skilled personnel to increase staff capacity to deliver the reforms a projected under spend of £200,000 is noted in this budget area.
- 1.4 Whilst manageable with increased capacity in the near future this time lag has resulted in a delay of the volumes of transitions planned for 2014/15.
- 1.5 A further grant of £176,819 for 2015/16 has been allocated by the Government to continue to implement the changes.
- 1.6 This report is seeking approval for the following:-
- (a) **SEN Implementation (New Burdens) Grant 2014/15** - carry forward of current budget £200,000 and release of the remainder of grant monies, £107,357
 - (b) **SEN Implementation (New Burdens) Grant 2015/16** – draw down £148,343 from grant of £176,819

2. RECOMMENDATION(S)

2.1 The Education PDS Committee Budget Sub Meeting is asked to note and consider the contents of this report

2.2 The Executive is asked to:

- (i) Consider the contents of the report;**
- (ii) Approve the carry forward of the under spend in 2014/15 of £200,000 and the drawdown of the remainder £107,357 funding from the Council's central contingency for the 2014/15 SEND Implementation Grant (Total £307,357);**
- (iii) Approve the drawdown of part of the SEN New Burdens Grant 2015/16 of £148,343, with the remaining £28,476 to stay in contingency ring-fenced for drawdown at a later date if required.**

Corporate Policy

1. Policy Status: Existing Policy: Draft Education and Care Services Plan for 2013/14 and Government Directed.
 2. BBB Priority: Children and Young People: Enjoy learning and achieve their full potential; ensuring the health and wellbeing of children and young people, and their families.
-

Financial

1. Cost of proposal: Estimated: Carry Forward £200,000 funds and grant £107,357 & £148,343 in 2015/16
 2. Ongoing costs: Non-Recurring Cost: One-off payment until March 2016
 3. Budget head/performance centre: SEN Reform Implementation (136034)
 4. Total current budget for this head:
 5. Source of funding: DfE grants;- SEND Implementation (New Burdens) 1st & 2nd Year grants
-

Staff

1. Number of staff (current and additional): 8 fte Additional Staff (short term contract)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement: The Children and Families Act has received Royal Assent and became law from September 2014. There is a phased approach to delivering the transitions from Statements to EHC Plans.
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Estimated number of users/beneficiaries (current and projected): 1,681 children with a Statement of SEN and 202 students with a Learning Difficulties Assessment.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The Government recognise the new duties placed upon local authorities through the Children and Family's Act 2014 and the New Burdens Grant is provided to support local authorities in delivering the reforms. The reforms require total systems change, developing and delivering new systems whilst the old system continues to function. Officers in Bromley, together with partner agencies are progressing these changes, resulting in the following: publication of a Bromley Local Offer at universal, targeted and specialist levels (across all disciplines - Education, Care and Health); development of systems to ensure Bromley are compliant with the delivery of services for students from 0-25 years; streamlining coordinated assessment and administration of the education, health and care plans; developing policy for personal budgets across education and care (and co-ordinating with health); methodology for increasing participation of families and children; organisational change and workforce development and early stage planning for joint commissioning of services.
- 3.2 Some of the above duties must be implemented immediately; the local offer and delivery of EHC plan after new assessments for example, some require a gradual phasing in of changes over the next three and a half years. The New Burdens Grant is provided to ensure that local authorities deliver these changes within a specified period of time. This is the second year of grant funding available to deliver the reforms and ensure a robust system is in place to identify and meet the needs of children and young people with complex and enduring special educational needs and disability.
- 3.3 Essential statutory targeted work is underway in Bromley to transition Statements of Special Educational Needs and Learning Difficulty Assessments into Education Health and Care Plans (EHCP), where appropriate. Conversion **must** take place over a three and a half year period from 1st September 2014 – 30th April 2018 (see tables over for the plan). The DfE has given clear direction on the process and the cohorts of young people whose statements must be converted during this timeframe. It is expected that Education, Health and Care Plans will be in place for those children and young people with the most complex needs in this timeframe. This involves detailed work with a range of partner agencies including Social Care, Health, Clinical Commissioning Groups and education settings (including Further Education colleges and other post-16 providers.) This work is progressing and further temporary staff need to be in place to deliver these changes once resource has been approved.
- 3.4 This grant is also being used to review the SEND Services and provisions within Bromley to ensure the services and provisions are "fit-for purpose" reflecting the new government systems of reforms and Bromley context. This review aims to inform a ten year strategy to deliver high quality, cost effective SEND services in line with the Council's vision and to inform appropriate specialist place planning for pupils with complex SEND. This will ensure the majority of needs are met locally through high quality and cost effective provision, thus avoiding costly out of borough placements.
- 3.5 Bromley's statutory SEN **Transition Plan** is on Bromley MyLife website. The SEN & Inclusion Service and the Preparing for Adulthood Team Service have set aspirational targets to deliver these changes. Reviews are currently underway for the changes to take place. There are currently 162 final Bromley Education Health and Care Plans currently completed which also include new plans as well as transitions. The target number for completion in 2015 is 474.
- 3.6 Due to the lateness in grant notification and the necessary administrative procedures in the drawdown of resource and the creation of temporary posts there has been a time lag in officers being in post to deliver these reforms. Thus an under spend of £190,000 from the original drawdown is noted. Subsequently there has been a time lag in the capacity to deliver the volume of transition changes (statements to EHC Plans). It is requested that this resource is carried over into the 2015/16 budget alongside the extra monies. This will ensure the

opportunity for advanced systematic and responsive planning in the delivery of staff capacity where needed to deliver these reforms and to achieve the target figure of 474 reviews and transitions within the stated time frame.

3.7 Transition in Bromley - Scope of the Exercise At the time of writing (February 2015) there are 1,681 children and young people with a Statement of SEN maintained by LB Bromley. There are currently 220 Learning Difficulty Assessments, 1,918 in total.

3.8 Prioritising the Phased Transfers

Under Government direction the phased transfer is as follows:-

Year One Target Groups for Transfer to EHC Plans September 2014 – August 2015

| Pupil/Student Groups | Numbers | Current plans in place (including new plans) |
|---|----------------|---|
| Children with a Pathfinder Plan | 110 | |
| Year 5 (end KS2) | 138 | |
| YPs who are transferring from schools (including 6 th formers) to a post 16 institution or an apprenticeship | 185 | |
| 16-25yrs with an LDA FE | 29 | |
| Young People leaving Custody | 2 | |
| Others | 10 | |
| Total | 474 | 110 |

Year Two Target Groups for Transfer to EHC Plans 2015/16

| Pupil/Student Groups | Numbers |
|-----------------------------|----------------|
| Year 1 (end KS1) | 3 |
| Year 5 (end KS2) | 106 |
| Year 9 | 170 |
| Year 11 | 174 |
| Post 16 (schools) | 165 |
| 16-25yrs in FE | 20 |
| Others | 35 |
| Total | 673 |

Year Three Target Groups for Transfer to EHC Plans 2016/17

| Pupil/Student Groups | Numbers |
|-----------------------------|----------------|
| Year 1 (end KS1) | 0 |
| Year 5 (end KS2) | 98 |
| Year 9 | 173 |
| Post 16 (schools) | 100 |
| NCY 11 | 171 |
| Total | 542 |

Year Four Target Groups for Transfer to EHC Plans April 2017/18

| Pupil/Student Groups | Numbers |
|----------------------------|---------|
| Year 5 (end KS2) | 92 |
| Year 9 | 137 |
| | |
| Total remaining statements | 229 |

The tables provide approximate numbers, given the fact that some young people will leave schools once choices are made after examination results and some statements may cease if objectives are met. Also Pupil Resource Agreements will be promoted, where appropriate, to support more responsive and more flexible intervention. It is estimated that approximately 119 statements will cease through pupils moving on to higher education. The transition plan is constantly under review, taking account of DfE requirements and local needs.

- 3.9 Early approval of this resource will allow better planning and prevents further delay in progressing the transitions.

4. FINANCIAL IMPLICATIONS

- 4.1 There are two grants currently in the Council's central contingency for 2015/16, the remainder of the un-ring-fenced SEND Implementation Grant (New Burdens) totalling £107,357, and the new grant of £176,819 for 2015/16, There is also an under spend of £200,000 from the amount drawn-down for 2014/15 due to the lateness in the grant announcement and the processes required to drawdown resource and recruit temporary skilled staff.
- 4.2 This funding will be used to increase capacity to deliver the transitions of statements to EHC plans or pupil resource agreements; review current SEND services and provisions; embed the new policies and practices; develop robust systems for recording and monitoring the EHC process and ensure the workforce has a clear understanding of policy and practice.
- 4.3 Table A below provides a summary of the planned expenditure, with a more detailed spending plan in Table B.

Table A

| | 2015/16 |
|-----------------------|-----------------|
| Temporary staff | £354,000 |
| Consultancy | £20,000 |
| Third parties | £66,000 |
| ICT | £10,500 |
| Workforce development | £5,200 |
| Total | £455,700 |

Table B

| Funded Element | Detail | 2015/16 |
|---|---|-----------------|
| 1. Implementation Manager | Manager to implement changes and co-ordinate activity | £58,000 |
| 2. Additional temporary Inclusion professionals across 0-25 age range | Skilled staff to target year groups requiring conversion (see transition table) | £230,000 |
| 3. Additional temporary Assessment & Placement Officers plus 1 admin | Transfer of approximately 500 statements to EHC/PRA | £66,000 |
| 4. Commissioning consultant to review services and provisions | Delivery of plan to ensure fit for purpose services and provisions – delivery high quality local provision and services | £20,000 |
| 5. LBB Partners | Schools, voluntary agencies | £66,000 |
| 6. ICT systems | | £10,500 |
| Workforce development | Delivery of training on outcomes, personalisation, completing EHC plans, Compliance | £5,200 |
| Total | | £455,700 |

5. POLICY IMPLICATIONS

- 5.1 Existing policy to deliver high quality cost effective services. Education Services Plan 2015/16.
- 5.2 BBB Priority: Children and Young People: Enjoy learning and achieve their full potential.

6. LEGAL IMPLICATIONS

- 6.1 Legal Requirement: new statutory regulations (Children & Families Act September 2014) ensuring statutory compliance across Bromley and London. A new SEN Code of Practice recently published again ensuring compliance.

7. PERSONNEL IMPLICATIONS

- 7.1 Number of staff; currently the equivalent of 8 full time equivalent members of staff to be employed on temporary contracts for a period of one year only.

| | |
|---|---|
| Non-Applicable Sections: | None. |
| Background Documents: (Access via Contact Officer) | DfE Documentation: SEN & Disability Code of Practice 0-25, 2014 |

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Report No.

London Borough of Bromley

DRR 15/018

PART ONE - PUBLIC

Decision Maker: Executive

Date: 24th March 2015

Decision Type: Non-Urgent Executive Key

Title: **GATEWAY REVIEW 0,1 & 2 APPROVAL OF 2015/2016 EDUCATION BUILDING MAINTENANCE BUDGETS, EDUCATION PLANNED MAINTENANCE PROGRAMME AND PREFERRED PROCUREMENT OPTIONS**

Contact Officer: Catherine Pimm, Head of Asset Management and Strategic Projects
Tel: 020 8461 7834 Email: Catherine.Pimm@bromley.gov.uk

Andrew Brook, Head of Operational Property
Tel: 020 8461 7739 Email: Andrew.brook@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: (All Wards);

1. Reason for report

This report sets out the maintenance budget for education buildings and the criteria used to assemble the planned maintenance programme. Once agreed the programme will be circulated to all Bromley maintained schools and education properties.

The report also outlines the preferred procurement option for the programme.

The proposed Education Planned Maintenance Programme is contained in Appendix A.

2. **RECOMMENDATIONS**

2.1 **Members are asked:**

- (1) **To approve overall expenditure of £1,452,294 for the maintenance budget for education buildings in 2015/2016.**
- (2) **To approve the criteria used to assemble the planned maintenance programme. (Gateway Review 0 & 1)**
- (3) **To approve the proposed education planned maintenance programme. A copy is attached in Appendix A.**

- (4) To delegate authority to the Director of Corporate Services to vary the planned programme where such action is considered necessary to either protect the Council's assets or make the most effective use of resources.**
- (5) To approve the preferred procurement option and method to be used. (Gateway Review 2)**
- (6) To delegate authority to the Director of Corporate Services to select the most economically advantageous tender for any individual item of expenditure under the approved programme referred to at (1) – (5) above.**
- (7) To agree that the Director of Regeneration and Transformation be authorised to submit planning applications where appropriate in respect of schemes identified in the education planned maintenance programme**
- (8) To agree, as part of the £1,452,294 budget, the £700,000 allocation to Suitability/ Health and Safety, Security, Seed Challenge and Kitchen Refurbishment programmes and delegate responsibility for management to the Director of Education Care and Health Services.**
- (9) To agree that the Director of Education Care and Health Services be authorised to submit planning applications in respect of schemes in the Suitability/ Health and Safety, Security, Seed Challenge and Kitchen Refurbishment programmes.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: £1,452,294
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Operational Property Services, Directors of Corporate Services and Education Care and Health Services
 4. Total current budget for this head: £1,452,294
 5. Source of funding: Funded from Capital Budgets
-

Staff

1. Number of staff (current and additional): Not applicable
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

3. COMMENTARY

3.1 The maintenance budget for 2015/2016 is £1,452,294 which is funded by the DfE's Capital Maintenance Grant and is allocated as follows:

| | |
|-------------------------------------|-------------------|
| Planned Maintenance Programme | £752,294 |
| Seed Challenge Fund | £200,000 |
| Security Fund | £50,000 |
| Suitability/ Health and Safety Fund | £250,000 |
| Kitchen Up-grade Programme | £200,000 |
| Total | £1,452,294 |

- 3.2 In previous years the entire budget was managed by the Property Division, but following reorganisation of the Division, responsibility for the budget is now divided between Operational Property Services and Education Care and Health Services.
- 3.3 Operational Property Services is responsible for delivering the planned maintenance programme. The Council agrees an annual planned maintenance programme for education properties that is proposed by officers each year. It is based on available funding, condition, priority and urgent items that arise during the year.
- 3.4 Education Care and Health Services is responsible for managing the Seed Challenge Fund, the Security Fund and the Suitability/ Health and Safety Fund. In addition, works to link kitchen shutters to fire alarm systems have been identified as a priority in the School Premises Health and Safety Compliance Audit and the School Kitchen Sufficiency Audit (undertaken to support the introduction of Universal Infant Free School Meals). Therefore it is proposed to allocate £200k from the Capital Maintenance Grant to deliver this work as part of the kitchen upgrade programme being delivered by Education Care and Health Services.
- 3.5 The Seed Challenge Fund is a match funded scheme that supports school led improvements that benefit the curriculum, security or health and safety and that would not normally be eligible for other funding. The scheme is popular with schools, but the total funding made available has reduced this year to reflect the reduction in both the number of local authority maintained schools and the amount of Capital Maintenance Grant received from the DfE.. Following requests for expressions of interest the Education PDS considers the bids and selects the successful ones based on the criteria agreed. The Security Fund is for urgent security works at local authority maintained schools and is allocated by officers. The Suitability/ Health and Safety Fund is allocated to support priority schemes. This year it will be used to support remedial works to schools that are required to ensure compliance with premises' statutory and regulatory requirements. The works will be identified following an audit of inspection records.
- 3.6 The planned maintenance programme is compiled by identifying, costing and prioritising works needed to safeguard the long-term life of the Council's education property portfolio.
- 3.7 The programme is compiled using condition survey data and maintenance data. In addition it is recognised that the local knowledge of Head Teachers and the Head of Strategic Place Planning who acts as strategic client for the education planned maintenance programme is invaluable in identifying maintenance issues. They have therefore continued to be involved in the development and management of the programme.

- 3.8 The condition assessment survey predicts when expenditure may be required in the future. Each element of a building is assessed and given a condition and priority classification by the inspecting surveyor or engineer. The surveys use the following grading criteria:

Condition

Grade A – Good. Performing as intended and operating efficiently.

Grade B – Satisfactory. Performing as intended but exhibiting minor deterioration.

Grade C – Poor. Exhibiting major defects and/or not operating as intended.

Grade D – Bad. Life expired and/or serious risk of imminent failure.

Priority

Priority 1 – Urgent work that will prevent immediate closure of premises and/or address an immediate high risk to the health and safety of occupants and/or remedy a serious breach of legislation.

Priority 2 – Essential work required within two years that will prevent deterioration of the fabric or services and/or address a medium risk to the health and safety of occupants and/or remedy a less serious breach of legislation.

Priority 3 – Desirable work required within three to five years that will prevent deterioration of the fabric or services and/or address a low risk to the health and safety of occupants and/or remedy a minor breach of legislation.

Priority 4 – Long term work required outside the five year planning period that will prevent deterioration of the fabric or services

- 3.9 Members should be aware that only the very highest priority schemes have been programmed for completion. Only those items that are Condition Grade D or C and/or Priority 1 and are considered by officers to have the highest risk of failure are included.
- 3.10 De minimis levels are set for school projects. Projects below the de minimis level will not be included in the programme. The de minimis level for primary schools is £5k.
- 3.11 A contingency sum is included to deal with works that are currently not funded but where there is a risk of failure and where they are likely to be outside the scope of many schools to deal with.
- 3.12 A budget driven programme is likely to produce a backlog of high priority maintenance issues and building elements will inevitably deteriorate to a point where they become critical.
- 3.13 It is not possible to fund a redecorations programme for education properties and Members will appreciate the adverse effect such a strategy will have on both the condition and aesthetics of the Council's building stock.
- 3.14 Previously the Director of Corporate Services has been authorised to vary the programmes during the course of the year where such action is considered necessary to either protect the Council's assets or make the most effective use of resources. It is proposed that this delegated authority should continue.

3.15 It is proposed to carry out condition surveys for the Bromley maintained schools. This is considered essential for schools that continue to remain the Council's responsibility and will be required to compile next year's planned maintenance programme.

4. POLICY IMPLICATIONS

4.1 The Council has a policy of supporting local businesses and Small Medium Enterprises (SMEs). The procurement strategy outlined in paragraph 8 directly encourages this support.

5. FINANCIAL IMPLICATIONS

5.1 The budget for Education Building Maintenance for 2015/2016 is £1,452,294, of which £752,294 is controlled by Operational Property Services and £700,000 is controlled by Education Care and Health Services.

5.2 Planned maintenance projects at Community and Voluntary Controlled Schools are managed by Operational Property Services. The funding for planned maintenance projects at Foundation Schools is devolved to individual schools, which are then responsible for ensuring that the identified projects are delivered in accordance with the relevant Construction and Financial Regulations. Schools that have converted to academy status are not eligible for funding from this budget. However, the local authority will honour allocations in this programme to schools, which subsequently convert to academy status in year.

6. LEGAL IMPLICATIONS

6.1 The value of planned maintenance projects described in the report will not exceed the EU threshold for Works. However because the EU regulations are so complex, the advice of the Council's Procurement Team will be sought before contracts are let.

6.2 The projects will be procured in accordance with the Council's Contract Procedure Rules and a number of procurement routes are permitted depending upon the estimated value of the work.

6.3 All contracts over £50k are added to the Contracts Register and will be subject to the maintenance of a risk register with suitable contingency measures in place in the event of default by provider.

6.4 If there are any individual contracts for works in the programme, which exceed £200k, they will be subject to monthly reviews which are designed to ensure the Council's requirements for performance, compliance with the specification, cost value for money and client satisfaction are achieved.

7. PERSONNEL IMPLICATIONS

7.1 None

8. PROCUREMENT STRATEGY

8.1 The procurement route for this programme is usually via the traditional route of JCT contracts, tendered competitively. Where appropriate, projects for similar types of works will be grouped and tendered together.

8.2 Contractors are selected by random selection within certain parameters from an approved list managed by Constructionline. This has the benefit of ensuring fairness in the shortlisting process as all contractors registered on Constructionline are given opportunity to tender.

8.3 Small Medium Enterprises (SMEs) and local contractors have been encouraged to sign up to the Constructionline approved list. Operational Property Services work closely with the

Procurement Team to ensure that SMEs are aware of the procurement route for projects of the size described within this report.

- 8.4 If any suitable EU compliant frameworks are available, their use will be considered.
- 8.5 All compliant tenders are assessed and contracts are awarded in accordance with Bromley's Contract Procedure Rules. In the case of discrete building maintenance projects the contracts are awarded on the basis of lowest price.

9. CUSTOMER PROFILE

- 9.1 The planned maintenance programme outlined represents the cornerstone of Operational Property Services' responsibilities. The ongoing maintenance of the Council's education buildings has an impact on all teaching staff, pupils and visitors.

10. STAKEHOLDER CONSULTATION

- 10.1 The agreed 2015/2016 programme will be sent to all Bromley maintained schools and education property managers.
- 10.2 The programme will also be reported for information to the Education Portfolio Holder.

11. SUSTAINABILITY/IMPACT ASSESSMENTS

- 11.1 In formulating its service and contracting strategies the Council has considered its impact on a number of issues, collectively referred to as "Sustainability", matters. These matters relate to economic, social and environmental considerations.
- 11.2 Consideration has been given to optimising the opportunities around these programmes for SMEs.
- 11.3 The planned maintenance programme offers a range of small/medium projects that will attract SMEs via the traditional JCT form of contract.
- 11.4 All successful contractors will be asked to support and facilitate the use of sustainable arrangements in the delivery of the service. This in turn will contribute to the reduction of the Council's carbon footprint.
- 11.5 This decision has been judged to have no or a very small impact on local people and communities.

| | |
|---|-----------|
| Non-Applicable Sections: | Personnel |
| Background Documents: (Access via Contact Officer) | |

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**Appendix A
Education Planned Maintenance Programme 2015/2016**

| NAME OF SCHOOL OR ESTABLISHMENT | 2015/2016 DESCRIPTION | AMP | CONTRACT | FEES @ 10% | ASBESTOS CONTINGENCY @ 2.5% | TOTAL |
|----------------------------------|------------------------------|-----|----------|------------|-----------------------------|--------|
| Bickley Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Blenheim Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Bromley Road Infant School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Burnt Ash Primary School | Renewal of water main | C1 | 25000 | 2500 | 625 | 28125 |
| | | | | 0 | 0 | 0 |
| Chelsfield Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Churchfields Primary School | Boilers & Heating | C1 | 85000 | 8500 | 2125 | 95625 |
| | | | | 0 | 0 | 0 |
| Clare House Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Darrick Wood Junior School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Dorset Road Infant School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Downe Primary School | Boilers & Heating | C1 | 75000 | 7500 | 1875 | 84375 |
| | | | | 0 | 0 | 0 |
| Edgebury Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Hawes Down Junior School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| James Dixon Primary School | Boilers & Heating | C1 | 165000 | 16500 | 4125 | 185625 |
| | | | | 0 | 0 | 0 |
| Marian Vian Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Mead Road Infant School | Radiators & Heating | C1 | 70000 | 7000 | 1750 | 78750 |
| | | | | 0 | 0 | 0 |
| Mottingham Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Oaklands Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Oak Lodge Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Poverest Primary School | Boilers | C1 | 130000 | 13000 | 3250 | 146250 |
| | | | | 0 | 0 | 0 |
| Pratts Bottom Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Red Hill Primary School | Re-clad tank room in Block A | D1 | 30000 | 3000 | 750 | 33750 |
| | | | | 0 | 0 | 0 |
| Southborough Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| The Highway Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Unicorn Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Wickham Common Primary School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Worsley Bridge Junior School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Holy Innocents RC Primary School | | | | 0 | 0 | 0 |
| Voluntary Aided | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| St Anthony's RC Primary School | | | | 0 | 0 | 0 |
| Voluntary Aided | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| St Georges CE Primary School | | | | 0 | 0 | 0 |
| Voluntary Controlled | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| St Pauls Cray CE Primary | | | | 0 | 0 | 0 |
| Voluntary Controlled | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| St Philomenas RC Primary School | | | | 0 | 0 | 0 |
| Voluntary Aided | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| St Vincents RC Primary School | | | | 0 | 0 | 0 |
| Voluntary Aided | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Burwood School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Glebe School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Marjorie McClure School | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Riverside School | | | | 0 | 0 | 0 |
| Orpington | | | | 0 | 0 | 0 |

| NAME OF SCHOOL OR ESTABLISHMENT | 2015/2016 DESCRIPTION | AMP | CONTRACT | FEES @ 10% | ASBESTOS CONTINGENCY @ 2.5% | TOTAL |
|-------------------------------------|-----------------------|-----|---------------|--------------|-----------------------------|---------------|
| | | | | 0 | 0 | 0 |
| Riverside School | | | | 0 | 0 | 0 |
| Beckenham | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Mottingham Children & Family Centre | | | | 0 | 0 | 0 |
| | | | | | | |
| Blenheim Children and Family Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Castlecombe Youth Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Duke Youth Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| The Link Youth Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Spitfire Youth Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Music Centre | | | | 0 | 0 | 0 |
| | | | | 0 | 0 | 0 |
| Special Schemes | Major Contingency | | 100000 | 0 | 0 | 100000 |
| | | | | | | |
| TOTAL | | | 680000 | 58000 | 14500 | 752500 |

Report No.
CS14125

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive

For Pre-Decision Scrutiny by Care Services PDS Committee on:

Date: 4th March 2014

Decision Type: Non-Urgent Executive Key

Title: **ALLOCATIONS SCHEME REVIEW**

Contact Officer: Sara Bowrey, Assistant Director Housing Needs; Education, Care & Health Services

Tel: 020 8313 4013 E-mail: sara.bowrey@bromley.gov.uk

Chief Officer: Executive Director of Education, Care & Health Services

Ward: (All Wards);

1. Reason for report

- 1.1 This report provides an update on the review of the allocations scheme in light of the current pressures faced in relation to homelessness and temporary accommodation.
- 1.2 It further sets out the outcomes of the formal consultation and presents the final revisions proposed for consideration and approval. Appendix 1 details the full changes being implemented, both statutory and local. Appendix 2 details the changes that have been consulted upon.
-

2. **RECOMMENDATION(S)**

- 2.1 **The Care Services Policy, Development and Scrutiny Committee are asked to consider the content, to comment on and agree, and subject to any amendments arising from these comments, to recommend to Executive to agree the proposed revisions to the allocations scheme.**
- 2.2 **The Executive is asked to:**
- a) **Consider the recommendations from the PDS committee**
- b) **Subject to any agreed amendments, to approve the proposed revisions to the allocations scheme to be implemented with effect from July 2015, subject to delivery from the IT systems provider of the required system changes to enable full implementation.**

Corporate Policy

1. Policy Status: Existing Policy The proposed revisions remain in line with the overall aims and objectives of the existing scheme which was approved and implemented in 2011.
 2. BBB Priority: Children and Young People Excellent Council Quality Environment Safer Bromley Supporting Independence
-

Financial

1. Cost of proposal: : IT system amendments have been contained within the existing Housing It systems maintenance budget for the current financial year.
 2. Ongoing costs: : N/A
 3. Budget head/performance centre: Housing Needs – Housing Register and Bromley Homeseekers
 4. Total current budget for this head: £4,576,710 approved controllable budget for operational housing.
 5. Source of funding: Education, Care & Health Services Approved 2014/15 Revenue Budget.
-

Staff

1. Number of staff (current and additional): 2.5 current
 2. If from existing staff resources, number of staff hours: Implementation contained within existing staffing resources
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): There are currently 3,074 households on the housing register who are deemed as having priority for rehousing in accordance with the current allocation scheme. The Council currently receives an average of 350 new applications to join the housing register each month. It is a combined register; managing both council nominations and social housing transfers. It includes the housing register for Affinity Sutton transfer applications from their stock within the London Borough of Bromley – 11,239 tenants.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments Not Applicable
2. Summary of Ward Councillor's comments: Members comments have been sought as part of the formal consultation process.

3. COMMENTARY

Background

- 3.1 The way in which social (and affordable) rented accommodation is allocated is governed by legislation which includes certain rules around who qualifies for housing and prescribed categories of applicants who must be given reasonable preference within all allocations schemes and housing registers.
- 3.2 Bromley's current allocations scheme and housing register went live in December 2011.
- 3.3 The revised scheme included a number of statutory legislative updates, but primarily sought to address the rising number of applicants and the intense administrative burden of maintaining a large housing register. This included the administration of a sizeable number of applicants with insufficient priority to ever receive an offer of social rented housing.
- 3.4 At its peak in July 2011, there were almost 8,000 households on the housing register, around 14 times the number of properties becoming available for letting that year.
- 3.5 This meant that, for the majority of applicants, there was little realistic chance of securing accommodation through the housing register.
- 3.6 By raising the threshold for inclusion the new scheme aimed to better manage expectations and encourage applicants to pursue a variety of other housing options – allowing the scheme to focus on meeting statutory rehousing duties and assisting those in the highest housing need which could not reasonably be resolved through other means. This was supported through the provision of homelessness prevention, housing advice and options to guide and support households to resolve their housing difficulties.

Impact of the current scheme

- 3.7 Since the launch of the current allocations scheme in December 2011, 17,362 households have applied to be included on the housing register. Of these 6,014 (35%) have qualified for inclusion under the new scheme.
- 3.8 Overall the scheme launched in 2011 has achieved a significant reduction in the numbers on the housing register, enabling a clearer focus on those in greatest need and to whom the Council owes a statutory duty. This has also increased the focus on homelessness prevention with the aim of obviating the need for placement into temporary accommodation for homeless households wherever possible.

Current position

- 3.9 The current pressures faced in relation to homelessness and the use of temporary accommodation has been regularly reported.
- 3.10 When a household approaches every effort is made to resolve their housing problems and prevent homelessness. If homelessness cannot be prevented the housing options teams will undertake a formal assessment against a number of prescribed criteria to determine whether there is a statutory duty to rehouse a homeless household.
- 3.11 The duty to provide accommodation for accepted households may be discharged by providing a property in the private sector for any households who made a homeless application on or after the 9th November 2012, providing the accommodation meets the statutory order regarding suitability of a private rented offer. This details the suitability criteria including location, standards, affordability and length of tenancy. For those who applied before the 9th November

2012 the homelessness duty can only be discharged by providing a suitable offer of social housing, unless the applicant expressly accepts an offer of private rented accommodation.

- 3.12 The significant gap between the demand for affordable social and private sector housing and the available supply continues to increase in Bromley.
- 3.13 The demand for, and supply of housing that is affordable have both been severely impacted by the current housing market and welfare reform. This has resulted in increased difficulty in accessing private rented sector accommodation for lower income and benefit dependant households. It has also led to increased homelessness and use of costly forms of temporary accommodation to meet statutory duties.
- 3.14 Demand is mapped against expected future trends and supply levels. Overall this analysis shows a growing statutory demand for accommodation against a decreasing supply both through housing association lettings and access to affordable private rented sector accommodation, particularly in light of welfare reform and rising accommodation charges.
- 3.15 In addition the number of applications for inclusion on the housing register is currently averaging around 335 per month. This is expected to rise as demand continues to be exacerbated, not only by the current homelessness pressures but also the increasing number of tenants affected by welfare reform and in particular the removal of the spare room subsidy.
- 3.16 Without significant increase in the supply of affordable accommodation it is clear that this situation will continue to deteriorate, at least in the short to medium term further increasing the already significant use and cost of temporary accommodation provision
- 3.17 A number of actions are underway to increase supply and maximise the level of homeless prevention including use of payment in lieu monies, refurbishment of vacant Council owned properties and increased incentives to attract private landlords.
- 3.18 As part of this work a review of the current allocations scheme has also been undertaken, leading to a number of proposed revisions to address the current pressures and to ensure full use is being made of the increased flexibility to include local criteria as allowed under Localism.

Proposed Revisions and timescale for implementation

- 3.20 Following reports to Cabinet and PDS in October 2014, the proposed revisions were formerly consulted on with Stakeholders during December 2014.
- 3.21 The consultation generated 135 responses. Overall responses were supportive of the proposed revisions to the allocations scheme, with very few suggested amendments.
- 3.22 The key revisions proposed are listed below.
 - Supporting members of the armed forces (veterans) to secure settled accommodation
 - Increasing the residency criteria for qualification onto the scheme to 5 years
 - Reducing the number of properties applicants can be shortlisted for at a time.
 - Reducing the number of properties applicants can turn down
 - Access to general needs accommodation restricted to those registered for older person's accommodation only.
 - Increasing the flexibility to make direct offers.

- Removal of households with a low priority in respect of overcrowding.

- 3.23 These revisions are designed to provide additional control measures and flexibility within the scheme to manage high cost temporary accommodation placements. They are also designed to effectively manage expectations in terms of other housing options, discharge into the private rented sector, wherever possible including out of borough placements if appropriate, and ensuring best use is made of the limited social stock available to meet local pressures and priorities. Appendix 1 of this report sets a summary of the final proposed revisions in light of the consultation responses Appendix 2 of this report details the consultation feedback.
- 3.24 It is proposed that the revision in respect of overcrowding will be applied immediately and will affect approximately 860 applicants, all of whom will have the right to appeal the decision to remove them from the housing register. All other revisions will be applied to all new applications and those upon change of circumstances. This reflects the most cost effective and speedy process for implementation.
- 3.25 If approved, the allocation scheme document will be formally updated to reflect the revisions and implemented from the 1st of July 2015. This will allow time for the IT system changes to be made and for publication of the updated scheme.
- 3.26 It must be noted that the launch date will be dependent upon final sign off of the IT providers system updates.
- 3.27 It is proposed that the portfolio holder is kept advised of the progress in order to approve the final launch date once the IT changes have been tested and signed off.
- 3.28 In line with the duties contained in the Equalities Act 2010, the equalities impact assessment (EIA) of the allocation scheme has been updated during the consultation process to enable any necessary remedial action identified to be incorporated into the final scheme. The EIA will be published alongside the final scheme document.

Implementation Plan

| Date | Action |
|------------|--|
| March 2015 | Member approval sought |
| April 2015 | Implement changes to IT Update allocation scheme and supporting documents |
| May 2015 | Publish scheme changes and notify affected clients. |
| June 2015 | Final testing of IT Final sign off Close Housing Register |
| July 2015 | Re-Open Housing Register: Go live |

4. POLICY IMPLICATIONS

- 4.1 The purpose of the scheme review is to ensure that the scheme operated by the London Borough of Bromley and its partner housing associations is fit for purpose, meeting all statutory

requirements and reflecting local priorities and pressures in order to make best use of all available stock to meet housing need.

4.2 The above revisions fall within the existing scheme principles and statutory requirements in relation to homelessness and housing allocations.

5. FINANCIAL IMPLICATIONS

5.1 None arising from this report. The cost of IT system updates are contained within the current approved budget.

6. LEGAL IMPLICATIONS

6.1 The Council has a number of statutory obligations in relation to housing allocations. These include having a published criteria and policy which meets the requirements of the legislative framework and complies with current guidance and case law. The policy must detail both the priorities and procedures for operation of the scheme. All proposed changes are considered and approved by Legal Services to ensure compliance with the statutory framework.

6.2 There is also a statutory obligation to consult with RSLs, service users and partners.

6.3 All proposals within this report comply with the Council's statutory duties in relation to homelessness.

| | |
|---|--|
| Non-Applicable Sections: | Personnel implications |
| Background Documents: (Access via Contact Officer) | Part VI of the Housing Act 1996 Homelessness Act 2002 Bromley Allocation Scheme (last updated 2011) Allocation of Accommodation Code of Guidance for Local Authorities Allocation of Accommodation; Providing Social Housing for Local People, 2013. Allocation of Accommodation: Choice Based Lettings, Code of Guidance for Local Authorities, 2008 Housing Allocations – Members of the Armed Forces (circular 04/2009), 2009 Fair and Flexible: Statutory Guidance on Social Housing Allocations for Local Authorities in England, 2009 Suitability Order The London Borough of Bromley Homeless Strategy (2012-17) |

| Area of Scheme | Current Criteria | Proposed Revision and Impact |
|---|--|--|
| Members of the Armed Forces | Assessed as all general needs clients with no additional preference. | Statutory requirement to support Members of the armed forces to secure sustainable housing solutions: Additional preference given to the category of persons set out in the Housing Act 1996 (Additional Preference for Armed Forces) (England) Regulations 2012 (SI 2012/2989) if they fall within one or more of the statutory reasonable preference categories and are in urgent housing need. |
| Local Connection | Currently resident and resident for 6 out of the last 12 months or 3 out of the last 5 years. | Currently resident and resident for a minimum of 5 years* ; Mirrors highest residency criteria applied in the South East sub-region. Disincentives homeless approaches in favour of homeless prevention and alternative housing solutions. <i>*Exceptions and flexibility to meet LBB statutory duties and comply with statutory regulations as required will be included.</i> |
| Immigration | Confirmed with the regulations in place at the point of publication. | Statutory requirement to set out qualifying applicants: Amend the criteria to reflect the changes brought about by the amendment to the Allocation of Housing and Homelessness (Eligibility) Regulations 2006 |
| Housing Association Under-Occupation | Tenants under occupying by 2 or more bedrooms in 4+ bed accommodation/moving into older persons accommodation are placed into the Emergency Band. Those in 2 or 3 bedroom accommodation are placed into Band 1. | All under-occupiers to be placed into Band 1 as standard with ability to escalate in exceptional circumstances. This will allow improved flexibility to make best use of available stock and prioritise moves to free up accommodation most required to meet statutory needs. |
| Older Persons Accommodation | Those aged 55 and over can be included on the Housing Register (where no other housing need exists) if they wish to move from general needs housing into older persons accommodation. However they are then able to bid for older persons and general needs accommodation. | Restrict bidding to older persons accommodation only: Applicants who are only included on the Housing Register as a result of requesting this type of accommodation cannot bid for general needs housing (unless by way of exception). |
| Number of Bids | Applicants are able to turn down up to two offers but are expected to accept the third. | Restrict bidding so that applicants can only reasonably refuse one property: Must accept second property. Assist in prioritising through flow to accommodation and managing expectations |
| Direct Offers | Currently used for non-bidders, to discharge a homeless duty, to facilitate a decant and where a very specific type of property is required by a household. Only social housing offered. | Increase direct offers including emergency moves, transfers, financial loss to the Council; one direct offer to end duty as opposed to multiple. Can use social or private sector accommodation if appropriate. Improved through flow and flexibility to best manage accommodation resources and in particular addressing highest cost placements. |
| Shortlisting | Applicants can be shortlisted for multiple properties. | Those shortlisted in position 1 will not be shortlisted for any other properties until that bid is resolved. Better managing expectations and minimising shortlisting timescales |
| Reasonable Preference | Homeless Applicants to whom a full duty is not owed must be given a level of reasonable preference within an allocations scheme. 'non-priority' need and intentionally homeless households are placed in Band 3. | Non priority homeless to remain in Band 3. Intentionally homeless applicants to be placed into Band 4 and sign posted to alternative housing options. Better manages expectations and prioritisation on the register to more accurately reflect the relative changes of nominations due to limited supply. |

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Appendix 2: Summary - Allocation Scheme Consultation Review

| Proposal | Supported | Not Supported | Proceed | Apply Retrospectively | Comments |
|---|-----------|---------------|---------|---|---|
| Increase residency requirement to five years: | 56% | 44% | Yes | No | It is expected this will decrease the number of qualifying applicants whilst ensuring preference is given to longstanding Bromley residents with a high need for housing. It also mirrors the highest residency requirements of adjoining local authorities. |
| Reduce priority for under occupiers (from Band E to Band 1) | 81% | 19% | Yes | Yes Approximate number affected: 30 households | It is expected to decrease the numbers in the emergency band, maximising flexibility to assist those with an emergency need to move. |
| Remove from the register those lacking one bedroom (who <u>are not</u> tenants of partner housing associations): | 51% | 49% | Yes | Yes Approximate number affected: 860 households | These households wait many years to secure accommodation via the register. There are approximately 860 (non HA partner) households currently included on the register who are lacking one bedroom. Of that less than 20 have secured a move to social housing this financial year. |
| Retain on the Housing Register those lacking one bedroom (who <u>are</u> tenants of partner Housing Associations) | 74% | 26% | Yes | N/A | Allowing moves within social housing stock makes best use of the units and increases opportunities for new applicants via the housing register. |
| Remove from the Register those who are intentionally homeless or homeless but not in priority need. | 73% | 27% | No | Yes – see comments | Since the consultation was embarked upon new case law has come into effect preventing local authorities from removing, in entirety, those who must be awarded a reasonable preference i.e. all homeless households. We therefore propose to allow homeless households who are not in priority need to remain in Band 3. Applicants who are assessed as being intentionally homeless will be placed in Band 4 (reduced priority band). |
| Reduce the number of properties an applicant can be shortlisted for (if in 1 st place) to one. | 73% | 27% | Yes | No | It is expected that this will reduce administration and speed up the lettings process. |
| Reduce the number of properties an applicant can refuse from two to one. | 36% | 64% | Yes | No | Given the scarcity of accommodation choice is limited. It is expected that limited the number of refusals will increase move on time and reduce administration. In light of the comments made we propose amending existing practices in order to better support applicants to bid and make informed bidding choices. |
| Increase flexibility regarding direct offers | 89% | 11% | Yes | N/A | It is expected that this will allow greater control of nominations and allow best use of stock. |

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Report No.
DRR15/022

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive

Date: 24 March 2015

Decision Type: Non-Urgent Executive Non-Key

Title: **NEW HOMES BONUS AND HIGH STREET FUND ALLOCATIONS**

Contact Officer: Kevin Munnelly, Head of Renewal
Tel: 020 8313 4582 E-mail: kevin.munnelly@bromley.gov.uk

Chief Officer: Director of Regeneration & Transformation

Ward: (All Wards);

1. Reason for report

- 1.1 To update Members on the outcome of the successful submission of project proposals under the New Homes Bonus top-slice and GLA's High Street Fund programmes. Approval is sought to add the projects to the Capital Programme and to formally request release of the top-slice funding reflected in the 2015/16 Budget to support the delivery of the project.
-

2. RECOMMENDATIONS

Members are asked

- 2.1 To note the successful outcome of the Council's submitted project proposals under the New Homes Bonus (NHB) Top-slice and High Street programme.
- 2.2 To add the Orpington and Penge projects, totalling £1,271k to the capital programme being fully funded by monies from the NHB Top Slice (£1,146k) and High Street Fund (£125k).
- 2.3 To agree the release of the £600k for revenue spend from NHB top-slice funding for the two year period to meet the cost of two development planners, development consultancy and to provide business support for these projects.

Corporate Policy

1. Policy Status: Existing Policy: Growth and Delivery Plans
 2. BBB Priority: Excellent Council Vibrant, Thriving Town Centres:
-

Financial

1. Cost of proposal: £1.871m (£1.271m capital and £600k revenue)
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: Capital Programme and Renewal
 4. Total current budget for this head: £1.871m
 5. Source of funding: New Homes Bonus Top-slice & High Street Allocations
-

Staff

1. Number of staff (current and additional): 2 additional Ftes
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough-wide
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? NA
2. Summary of Ward Councillors comments: NA

3. COMMENTARY

New Homes Bonus Topslice

- 3.1 In 2015-16 £70 million of London boroughs' New Homes Bonus allocation was top sliced and pooled for use on a programme of projects across London to be agreed by the London Enterprise Panel (LEP). The funding that each borough contributes to the top slice is expected to be returned to that community through this process. The funding was allocated to projects in line with seven LEP priorities. These are: Apprenticeships, Skills & Training; High Streets; Places of Work; Unlocking Development; Business Support; Digital, Creative, Science & Technology; and Resilience and Low Carbon.
- 3.2 Project proposals were considered and endorsed by the Renewal & Recreation PDS Committee on 2 September and submitted to the LEP for their consideration. These proposals were evaluated by the GLA to ensure conformity with the Strategic objectives for the LEP. The Council was advised on 21st of February 2015 that the submitted proposals had been approved by the LEP Board in accordance with the agreed funding split.
- 3.3 The table below shows the four projects and the agreed capital and revenue funding: -

| Project | Capital £'000 | Revenue £'000 | Total £'000 |
|---|------------------|------------------|----------------|
| Penge Town Centre/Crystal Palace | 746 | 200 | 946 |
| Orpington Town Centre | 400 | 100 | 500 |
| Biggin Hill Aviation Technology & Enterprise Centre | 0 | 150 | 150 |
| Lagoon Road industrial Estate Refurbishment | 0 | 150 | 150 |
| Total Approved Funding from NHB | 1,146 | 600 | 1,746 |

Penge Town Centre

- 3.4 The £746k capital project comprises a package of predominately capital schemes that relate directly to priorities that have been identified from Penge Renewal Strategy. The projects proposed will complement existing programmes and bring forward projects that previously lacked identified funding. The main focus of funding will be on: Public realm improvements; Shopfront improvements; Business Support; and Wayfinding. There is also £50k of funding allocated for business support initiatives. These initiatives will complement what is currently on offer and will build upon the scheme delivered in Bromley as part of the OLF funding. It will include a shopfront improvement scheme and offer a programme of targeted support and mentoring.

Orpington Town Centre

- 3.5 The focus of this predominantly capital project with approved funding of £400k, is on place making and enhancing the pedestrian experience of this section of the prime shopping areas to increase footfall. Improvements to cover 5,125sqm of the main Walnut Centre public areas including: Paving; Lighting; Treatment for trees/ new trees; New street furniture; Way finding; and new Market infrastructure.
- 3.6 It is recognised that in developing improvement plans for Orpington and Penge public realm projects, officers will need to ensure that any improvements will result in no net increase in revenue costs for the Council.

- 3.7 In addition to the capital funding, an amount of £300k of revenue NHB funding has been secured to provide business support to both the Penge and Orpington areas. This would involve shop front improvements and support to businesses, building on the scheme delivered in Bromley through the OLF funding. It would also include working with the Orpington First, who will offer a programme of targeted support and mentoring.

Growth Work Resources for Biggin Hill and Cray Corridor

- 3.8 Revenue funding of £300k has been secured to finance the appointment of two development planners whose principal responsibilities will be to take forward the project work streams for both the Biggin Hill Aviation Technology and Enterprise Centre and Cray Corridor Estate renewal projects. It would also provide funds to enable development consultants to be appointed.

High Street Fund

- 3.9 On 2 October the Mayor of London launched the High Street Fund prospectus. Up to £9m of Capital has been made available until March 2016 by the Mayor to support projects that help achieve his ambitions set out in Actions for High Streets. This is the latest in a series of funding rounds, which started in 2011 with Round One of Outer London Fund, aimed at helping London's high streets to growth and become more vibrant.
- 3.10 Project proposals were considered and endorsed by the Renewal & Recreation Committee on 18th November 2015. Following further development only one bid for £200k relating to Orpington was submitted in consultation with the Portfolio Member of Renewal & Recreation. This bid sought to extend the scope of the improvements planned under the NHB funding to the public realm in the Walnut Shopping area.
- 3.11 The High Street Fund has been significantly oversubscribed, as a result the GLA have sought to reduce the amounts awarded to successful bids. The Council has been advised that an allocation of £125k of capital funding has been made to the Orpington project.

Next Steps

- 3.12 Officers are now working with officials from the GLA to finalise grant agreements to cover both the NHB and HSF allocations and regular updates report will be brought back to the Executive and Renewal & Recreation PDS Committees.

4. POLICY IMPLICATIONS

- 4.1 Work delivering the New Homes Bonus & High Street Fund Programmes is entirely consistent with Policy Objectives set out in Building A Better Bromley 2011-2012 and the Renewal & Recreation Portfolio Business Plan 2013/14. The work of the Renewal team links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

- 5.1 The Council is expected to receive New Homes Bonus of £6,175k in 2015/16, of which there will be a top-slice of £1,746k allocated to the LEP. This report includes proposals to spend this top slice amount in accordance with the requirements of the LEP with proposals of £1,746k from the New Homes Bonus top-slice and High Street Funding of £125k, supported by the GLA.
- 5.2 The NHB top-slice funding has to be spent by the end of March 2017 and the £125k High Street funding needs to be spent by the end of March 2016.

5.3 The table below summarises the project expenditure for the two year period to 31 March 2017, split between capital and revenue: -

| Project | 2015/16 £'000 | 2016/17 £'000 | Total £'000 |
|---|--------------------------|--------------------------|------------------------|
| Capital | | | |
| Penge Town Centre/Crystal Palace Public Realm scheme | 300 | 446 | 746 |
| Orpington Town Centre - improvements to Walnut Centre & new market infrastructure | 285 | 240 | 525 |
| Total Capital Expenditure | 585 | 686 | 1,271 |
| Capital Funding | | | |
| New Homes Bonus Top Slice Funding | 460 | 686 | 1,146 |
| High Street Funding | 125 | 0 | 125 |
| Total Capital Funding | 585 | 686 | 1,271 |
| Revenue | | | |
| Penge - Business Support - shopfront improvements, support & mentoring | 100 | 100 | 200 |
| Orpington - Business enabling and support | 50 | 50 | 100 |
| Biggin Hill Aviation Technology & Enterprise Centre | | | |
| Preparation of a detailed feasibility report & business plan | 30 | 30 | 60 |
| Development planner (on fixed term contract) | 45 | 45 | 90 |
| Lagoon Road Industrial Estate Redevelopment | | | |
| Preparation of a development brief | 30 | 30 | 60 |
| Development planner (on fixed term contract) | 45 | 45 | 90 |
| Total Revenue Expenditure | 300 | 300 | 600 |
| Revenue Funding | | | |
| New Homes Bonus Top Slice Funding | 300 | 300 | |
| Total Revenue Funding | 300 | 300 | 0 |

5.4 The above table highlights total costs of £1,871k.

5.5 Member approval is sought to add the Penge and Orpington schemes to the capital programme with a total value of £1.271m. This comprises of £746k for Penge and £525k for Orpington.

5.6 Member approval is also sought to release £600k from the New Homes Bonus top-slice to support revenue funding over the two financial years. This funding will meet the costs of business support for Orpington and Penge and the appointment of development consultants to prepare the feasibility report and development briefs for the Biggin Hill and Lagoon Road sites. It will also enable the appointment of two fixed term development planners to assist in the delivery of all aspects of the NHB programme and the Biggin Hill Aviation Technology & Enterprise and Lagoon Road project projects.

5.7 As highlighted in 3.6 above, that officers will ensure that any improvements will result in no net increase in revenue costs for the Council for the Orpington and Penge public realm projects.

6. LEGAL IMPLICATIONS

6.1 In the coming months, an agreement will be drawn up with London Councils, agreeing the detailed delivery schedules, milestones, outputs and expenditure for all elements of the NHB programme.

7. PERSONNEL IMPLICATIONS

- 7.1 Member approval is sought for the appointment of two development planners on fixed term contracts up to April 2017 to facilitate the delivery of the projects. These posts are subject to job evaluation and an indicative grade is estimated to be between BR6 and BR13.
- 7.2 The posts will initially be offered to staff in the redeployment pool, before being advertised Internally to all staff. If we are unable to recruit staff who are sufficiently skilled to undertake these roles, the posts will be advertised externally via the Bromley website.

| | |
|---|------------------------------|
| Non-Applicable Sections: | |
| Background Documents: (Access via Contact Officer) | NHB and HSF Submissions 2014 |

Report No.

London Borough of Bromley

CS14139

PART 1 – PUBLIC

Decision Maker: Executive

Part 2 Report for Pre-Decision Scrutiny by Care Services PDS Committee on:

Date: 4th March 2015

Decision Type: Non-Urgent Executive Key

Title: PASSENGER TRANSPORT SERVICE – CONTRACT AWARD

Contact Officer: Dan Jones, Assistant Director Street Scene and Green Space
Tel: 0208 313 4211 E-mail: Dan.Jones@bromley.gov.uk

Chief Officer: Executive Director of Education, Care and Health Services

Ward: (All Wards);

1. Reason for report

- 1.1 The report follows the Executive report Transport – Gateway Review (report no. ES14062) and is part of the agreed Gateway Process for determining the best method for the delivery of these services in accordance with the Council's Target Operating Model.
 - 1.2 The current Passenger Transport Framework Agreement, utilised by Bromley for the delivery of transport by the Special Educational Needs Transport (SENT) team, is due to expire in August 2015. The current vehicle hire agreement for the delivery of the Adults Transport Service has been extended to November 2015. The delivery of these two services after August 2015 has been market tested to ascertain if significant costs savings can be realised by contracting either elements or holistically delivering these services through alternative means.
 - 1.3 The report provides details of the tenders received for Lot 2 – Passenger Transport Service and makes recommendations for the award of a contract.
-

2. **RECOMMENDATION(S):**

- 2.1 **Subject to the views of the Care Services and Executive and Resources PDS Committees, the Executive is asked to agree:**
 - a. **To award the contract for Adults Transport Services to a single provider for a period of 3 years and 9 months from the 1 December 2015, with an option to extend for a further period up to, but not exceeding 2 years.**
 - b. **To note that a management reorganisation of the Passenger Transport Service will be undertaken during 2015/16 as detailed in para 3.34 of this report.**

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Supporting Independence:
-

Financial

1. Cost of proposal: £1,687k pa
 2. Ongoing costs: £1,687k pa
 3. Budget head/performance centre: , 845030, 845000,
 4. Total current budget for this head: £1,830k
 5. Source of funding: RSG
-

Staff

1. Number of staff (current and additional): 49 posts / 42 FTEs
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Non-statutory requirement:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): As of the date of tender there were 525 users accessing the service through planned routes (approximately 1200 weekly customer journeys) and in 2014 - 695 ad hoc customer journeys to enable transfers to and from care facilities.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 The Council continues to face a period of unprecedented reductions in public funding, and over the next few years will need to identify savings in the region of £50 million to balance the revenue budget.
- 3.2 Further to the Executive report Transport – Gateway Review (report no. ES14062) and the Executive endorsed Commissioning Programme (Report No. DRR13/043), this report forms part of the agreed Gateway Process of the Commissioning Programme to ensure that the implementation decision follows the appropriate committee process.

Review of Options for Passenger Transport Services

- 3.3 Currently the London Borough of Bromley provides transport services for three reasons:
- a) as a means of facilitating respite for carers;
 - b) to allow individuals to access social interaction; or
 - c) to provide access to education
- 3.4 On the 16 July 2014 the Executive approved the decision to tender the Passenger Transport Services as separate Lots in order to enable the flexible procurement of transport provision to meet changing demands for these services. The contract/s were to be awarded for periods of four years The Lots identified were as follows: -

Lot 1 - Special Educational Needs Transport (excluding route planning and administration)

Lot 2 - Adults Transport (including route planning and administration)

Lot 3 - Combined Special Educational Needs and Adult Transport

An additional purchasing solution was also invited to tender, the Dynamic Purchasing Solution (DPS), to facilitate the purchase of the elements identified above that would be procured through a framework type arrangement. The DPS provides for on-going competition and the ability to add new providers to the approved supplier list post implementation.

In terms of realising further efficiencies through the joint procurement of services with other neighbouring authorities, officers concluded, through dialogue with LB Croydon and LB Bexley, that a joint approach to procurement was not the preferred option for all parties.

This report outlines the outcome of the tendering process for Lot 2 and 3. Report No. ED15070 outlines the outcome of Lot 1.

Service Considerations

Adults:

- 3.5 In the current system, the Passenger Transport Service takes service users to and from day centres as part of provision of sociable day opportunities. Day Care is provided to service user as part of their assessed needs either as a means of facilitating respite for carers or to allow individuals to access social interaction.
- 3.6 One or both may apply depending on the individual situation. The future provision of access to adult transport will be governed by an agreed LBB transport policy which is currently out to consultation and due to be reported back to Care Services PDS Committee in June.

- 3.7 Transport for adults is not an explicit statutory duty in itself, however, the Council must provide for adequate day opportunities for those assessed as needing respite or social interaction under 'Substantial' and 'Critical' Fair Access to Care Services (FACS) criteria. Under the current perspective of Care Services for respite in particular, this involves the Council facilitating individuals to get out of their homes, which requires an element of transport. The duty can be met indirectly through Direct Payments or directly by the providers of the day opportunities.

Current management arrangements:

- 3.8 The existing management provision for SEN and Adults Transport Services are integrated, being directly managed by the Councils Passenger Transport Operations Manager and operating out of the Central Depot. There are currently 42 FTEs within the staff structure with additional staff being employed on a casual basis.
- 3.9 The functions of the Passenger Transport Service (PTS) are principally around delivery of the transport service that is requested by Older People or Learning Disability care management and SEN and Disability Service team, with appropriate route planning to ensure optimal routing efficiency within parameters is maintained.

Adults Transport

- 3.10 The in-house PTS uses 19 vehicles leased from a single provider to provide transport for adult clients. The daily pattern begins at 8am, first delivering Learning Disability clients to day opportunity venues, followed by Older People clients. Most buses return to the Depot by 11.30am. The sequence is reversed commencing at around 2.30pm. Buses return to the Depot between 4.30 and 6pm. The drivers are employed throughout the day while passenger attendants are not employed during the middle hours of the day. A number of the buses may be used for additional work during the middle hours of the day, such as transferring individual clients to nursing homes or returning them from hospital. At the time of tender there were approx. 525 clients (OP and LD), transported to 18 different locations during the week. This does not include non-core journeys carried out during the hours of 11.30am and 2.30pm. In 2014 this non-core work totalled 695 journeys to a number of different locations.

Tendering Process

- 3.11 In accordance with the Council's financial and contractual requirements, and following Executive approval on 16/7/2014, the services have been subject to a full tender process.
- 3.12 The combined value of the work to be tendered was £5.8m per annum (LOT 2 £1.8M), requiring European Union Procurement Directives to be followed. Expressions of interest were invited using an OJEU advertisement. The advertisement identified the Council's intention to invite a select list of organisations to tender for three Lots.
- 3.13 The contracting strategy identified the need for elements of flexibility and this has been built into the OJEU notice to facilitate its use for additional services in the future by both the Council and any other public sector partners.

Specifications

Lot 2

- 3.14 In preparing the specification for Lot 2 providers were informed that the key aim of the service was to provide a safe, sensitive and reliable transport service to meet the needs of passengers, who will primarily be composed of Older Persons and Adults with varying disabilities from determined collection points to establishments as detailed in the Contract Terms and Conditions.

- 3.15 Consideration was also given for the need for the service to be as flexible as possible to adapt to future changes to LBB Transport Policy. Therefore, prices were invited based on a 'price per passenger per destination', on the understanding that a 'no guaranteed volume' contract would be awarded.
- 3.16 Current destinations and volumes were provided and explanation given that volumes and destinations were susceptible to change. Prices were requested based on current volumes and destinations as the 'baseline' price and further prices were requested to reflect changes in services volumes between +/- 5-25% of the current volumes.
- 3.17 Lot 2 also specified the need for full route planning, management and administration of the Adults Transport Service.

Lot 3

- 3.18 This included all elements of Lot 1 and Lot 2 and also the route planning and management of Lot 1.
- 3.19 The contract specifications were therefore flexible, allowing for any changes to transport policy, which could lead to further savings.

Tender process

- 3.20 The tender was undertaken using ProContract, the Council's electronic tendering system. The tender was comprised of 3 stages:
- Stage 1 Pre-qualification questionnaire
 - Stage 2 Invitation to Tender
 - Stage 3 Evaluation of tenders submitted
- 3.21 Twenty Eight Pre-Qualification Questionnaires (PQQ) were submitted for Lot 2;15 for Lot 3 and 1 for the DPS.
- 3.22 A Tender Evaluation Panel, comprising of 3 officers, with specific expertise in transport operations, then considered each PQQ resulting in a consensus score. Of the 28 companies which submitted a PQQ, 7 were invited to tender for Lot 2 and 1 for the DPS option.
- 3.23 As a result of the assessment of the PQQ's and a resulting lack of competition it was decided not to invite organisations to tender for Lot 3. The project board did not have confidence that the market was sufficiently mature at this time to provide a fully managed and integrated Passenger Transport Service.
- 3.24 Following the issuing of the ITT documents to the potential suppliers, officers held a Tender Open Day at the Civic Centre (17 December 2014) and invited potential suppliers to attend and discuss the requirements and ambitions of this procurement exercise prior to the tender return date. The event generated a list of clarifications which were recorded and posted on the ProContract site to allow full transparency to suppliers who did not attend and to better inform suppliers prior to final submissions being returned on 14 January 2015.

Tender Evaluation and Outcome

- 3.25 Officers evaluated the 5 submitted tenders plus the DPS based on a 60% finance and 40% quality split.

- 3.26 Four providers plus the DPS bid met the quality score and were therefore assessed on price.
- 3.27 The DPS tendered option submitted was evaluated carefully but found, following analysis, not to be a viable option due to the current organisational structure of the SEN transport team within the PTS unit and the existing process of invoice payments through Liberata. The current arrangements within the SEN team are efficient for the purposes of route allocation, provider selection and payment processing. The adoption of the DPS solution, at this stage, for the fulfilment of Lot 1 and/or Lot 2 route procurement could therefore at this time not demonstrate savings.
- 3.28 Evaluation of the tenders submitted for Lot 2 shows that the lowest price could be gained by awarding the work to multiple providers. However, it is considered that marginal saving (£12k) would be offset by additional administration costs needed to resource the management of multiple providers (1 FTE@ £30k, including on costs).
- 3.29 As well as the additional cost, the benefits of contracting with one provider for all destinations was also considered. Having one provider operating from the Central Depot location was deemed to be more advantageous than multiple providers operating from different locations. Having one point of contact for all 18 current routes would also assist with the management of the contract, particularly as it is envisaged the PTS Client function would operate from the Central Depot.
- 3.30 Therefore, taking into account the cost/quality benefit analysis, it is considered that one operator provides the best value for money solution across the identified destinations as a single framework provider. This provider offered competitive prices and flexibility for non-core journeys, as well as returning a high quality score.
- 3.31 Particular advantages of the recommended tendered solution are the retention of the service operating out of Central Depot via a commercial lease with the Council, fixed price per journey across all routes for the life of the contract, comprehensive training and licensing of staff and new and dedicated vehicles to be utilised for the service.
- 3.32 It is therefore recommended that the lowest priced single provider be awarded the contract to provide Adult Transport Services for a period of 3 year and 9 months from the 1 December 2015, with an option to extend for a further period up to, but not exceeding 2 years

Next Stages

- 3.33 As part of the implementation process, consideration will be given to the resourcing requirements to ensure a robust client management arrangement is in place. This includes contract monitoring, performance management and quality assurance consistent with the Council's COP.
- 3.34 Therefore it is proposed that if the Executive agree with the recommendation to award Lot 2 to a single provider, that a management reorganisation of the Passenger Transport Service is completed following award of contracts, to enable potential efficiencies to be realised through the integration of the SEN route planning and contract management function for the SEN Framework Contract and the PTS contract, which will be reported to the Executive as part of the 2015/16 Budget process.
- 3.35 Subject to executive approval, and standstill period, provider reviews will be undertaken to confirm service quality and capability to ensure service lead in arrangements are fully prepared to minimise any disruption to clients, schools, parents/carers, before final contracts are drawn by the senior lawyers' awarded, and signed under seal.

Risk Management

- 3.36 The recommended tender provides a fixed price per passenger up to a volume variation of 25%. Whilst the contract stipulates 'no guaranteed volume', it should be noted that any reduction in volume over 25% increases the price per passenger per journey by 15%.

4. POLICY IMPLICATIONS

- 4.1 Transport is required by adult social care in order to allow clients who qualify for particular services, access to those services if they are unable to do so through other means. The implementation of the Care Act from April 2015, and the new assessment criteria it requires, may change how services are used. Further, in tandem with these contract reviews, colleagues in the Education, Care and Health Services' Commissioning Unit have been looking at new ways of delivering services to a range of clients, many of whom are heavy users of transport. Future levels of utilisation are therefore hard to predict.
- 4.2 Any future or developing policy changes to the access guidelines for service users or the method of operation may have an impact on the provision of transport and any associated costs. The procurement strategy has therefore allowed for future changes by not guaranteeing any passenger volumes for Lot 2.

5. FINANCIAL IMPLICATIONS

LOT 2

- 5.1 The results of the analysis of the Tenders received has resulted in a recommendation being made to award the contract for Adults Passenger Transport to a single provider, delivering a saving of £143k per annum based on current client numbers.
- 5.2 Any potential increases/decreases in activity will have to be dealt with as part of the overall medium term financial strategy.
- 5.2 The financial details are included in the report of the same name contained in PART 2 of this agenda.

6. LEGAL IMPLICATIONS

- 6.1 This procurement has been undertaken in accordance with EU procurement rules and has adhered to the relevant threshold for service contracts and certain time scale requirements set down by the European Union. It is also in line with a fair and transparent procurement exercise and has further complied with council Financial Regulations.

7. PERSONNEL IMPLICATIONS

- 7.1. There are currently 41 staff employed within the PTS service wholly engaged on the services outlined in Lot 2 which are specifically for Adults Transport Services. In addition there are 5 staff employed within the Passenger Transport Service outside the scope of Lot 2 whose roles and function would be the subject of a separate review in the event that the Executive agree to proceed with a contract award. The main proposal in this report is on the back of the review of the current and future transport needs of the Council in regard to the provision of transport for vulnerable/eligible groups within the community. Staff were briefed in July 2014 and also updated in September 2014 on the work to develop proposals to achieve savings without significantly affecting service delivery.
- 7.2 Staff are now being consulted on the main proposal which is to outsource the service as set out paragraph 3 and in particular paragraphs 3.14 to 3.37 above. Staff and trade union comments

and responses to the proposal and whether the service should remain in house or not will be summarised and presented to the meeting for Member consideration. If Members agree to the recommendation to proceed with contract award, there are significant personnel implications to consider in consultation with affected staff and their representatives.

- 7.3 Any staffing implications arising from the recommendations in this report will need to be carefully planned for and managed in accordance with Council policies and procedures with due regard for the existing framework of employment law, mainly the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended by The Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014.

| | |
|---|--|
| Non-Applicable Sections: | None |
| Background Documents: (Access via Contact Officer) | <p>Transport Gateway Review (Report No. ES14062)</p> <p>Adults Transport Policy (Report no CS14050) 26th June 2014. Care Services Portfolio Holder.</p> <p>Commissioning Team Programme Budget - Report No. DRR13/043</p> <p>Adult Social Care – Gateway Review (Report No. CS13/017)</p> <p>SEN Transport Contract (Report No. DCYP10115 – PART 2)</p> |

Report No.
ES15020

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive

For Pre-Decision Scrutiny by Environment PDS Committee on:

Date: 17th March 2015

Decision Type: Non-Urgent Executive Key

Title: **JOINT PARKING SERVICES CONTRACT:
Gateway Review**

Contact Officer: Ben Stephens, Head of Parking
Tel: 0208 313 4514 E-mail: ben.stephens@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: Borough-wide

1. Reason for report

Bromley's current parking operations and enforcement contract with Vinci Park Services expires in September 2016, coinciding with the planned end date for LB Bexley's parking contract with NSL. This report details the proposals for future delivery of these enforcement services and other contracts managed within the parking shared service following a review which took into account:

- the current state of the market for enforcement services
- developments in parking management and enforcement nationally
- consideration of options and services for inclusion in the new contract
- how best to package the services on offer.

2. **RECOMMENDATIONS**

That the Executive is invited to confirm agreement to:

2.1 Procure Services in partnership with the LB Bexley.

2.2 Procure parking and associated services as set out in Appendix 1, using the British Parking Association 'Parking Management and Associated Services Contract'.

- 2.3 The length of the contract be for a 5 year period with an option to extend for a further 5 years, commencing October 2016, plus an option for a discounted 10 year contract .**
- 2.4 The time table as set out in Appendix 2 required to achieve October 2016 contract start date.**
- 2.5 Delegated authority be given to Executive Director of Environment and Community Services in discussion with the Portfolio Holder to approve final service specifications and associated KPIs.**
- 2.6 To note that a review of the parking shared service structure will be undertaken by the end of March 2017 as set out in paragraph 3.10.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council Quality Environment Vibrant, Thriving Town Centres
-

Financial

1. Cost of proposal: £29m over the 10 year period
 2. Ongoing costs: £2.9m per annum
 3. Budget head/performance centre: Parking contract
 4. Total current budget for this head: £2.9m
 5. Source of funding: Existing revenue budget 2015/16
-

Staff

1. Number of staff (current and additional): 23 LB Bromley employees
 2. If from existing staff resources, number of staff hours: 22.8 fte LBB
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All motorists residing in or visiting Bromley and Bexley
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 A commencement of Procurement Gateway review report ES14034 was approved by the Portfolio Holder in July 2014. The report set out in principle the range of services and existing contracts to review, also the method of evaluating the benefits of contracting out services.
- 3.2 The Parking Contract Review team included representatives from finance, legal and procurement teams as well as Bromley & Bexley parking services and has concluded that there are substantial opportunities to realise economies of scale across two boroughs. The review team considered the best way to package services as set in appendix 1, in order to achieve the greatest efficiencies and most competitive price.

The review team remain satisfied there that are a number of active and experienced contractors within the sector to ensure a competitive process and joint procurement of services provides:

- the best opportunity to ensure the most competitive price,
- the greatest opportunity to maintain service standards at the lowest cost
- opportunity for service improvement.

- 3.3 Bromley and Bexley's procurement practice has been to tender each service separately to date. For example Bromley have separate contracts with ICT, Mobile Phone Parking, Bailiff and Enforcement companies. The proposed grouping of these individual contracts may result in larger companies bidding and providing a 'total' solution. A consequence of this would be successful bidders sub-contracting to some of the companies we may have dealt with directly in the past. The loss of a direct relationship with these contractors is a concern but the review team considered the potential benefits outweighed any risks, specifically in this regard.
- 3.4 The British Parking Associations 'Parking Management and Associated Services Contract' (BPA Contract) is a template rather than a framework, which has been developed in consultation with the parking industry, including local authorities and service providers. It is now being used more widely throughout the UK, with approximately 20 licenced authorities, many in London. Members of the review team have met with users of the BPA contract to ask their views and experiences and based on their findings, based on which it is recommended to use this industry standard contract.
- 3.5 Both Boroughs will enter into legally separate contracts with common terms & conditions with a single successful contractor. The BPA Contract has a number of standard terms and conditions, which authorities may make minor adjustments to in order to meet standing orders or other legal requirements. With any change of contract there is a risk to future income and service standards, but officers will work with the contractor and put in place provisions to reduce any risks.
- 3.6 Contractors will be invited to provide a price for each service being sought by the respective councils. Each service will have its own specifications and KPI's. Each bidder will be required to give a percentage reduction for providing the service for both boroughs and the evaluation will be based on 60% price and 40% quality. These proposals have been considered by the Member Parking Working Group which supported the approach being taken.
- 3.7 The review team in its deliberations have taken the opportunity to consider the way each service is to be delivered and if the use of other existing contracts could provide a better solution. For example the car park cleaning element could be incorporated in the street cleaning contract. There are many pros and cons given the diverse services on offer, but in general it was considered prudent to obtain prices and method statements for each service area. Even if the service may not be adopted at the start of the contract, it could be added at a later stage to suit the Council's needs.

- 3.8 As part of pre tender discussions it is clear that many contractors who traditionally provided parking enforcement services have developed their business model to cater for contracts being let such as this one. With the developments of 'hubs/centres' providing call centres, post room functions, permit processing solutions for multiple authorities and private sector parking companies. This model helps contractors develop their own economies of scale and to develop knowledge and skills. Further some companies are also developing their own ICT, Phone Parking Apps, Permit Solutions and Car Park management technologies, giving remote access to barrier controls etc. all resulting in less reliance on 3rd party/sub-contractors and driving costs down further.
- 3.9 The overall staff supporting the parking service is broken down in the table below: -

| | Current |
|------------------|--------------------------|
| | FTEs |
| CCTV Enforcement | 7.00 |
| Parking Permits | 1.00 |
| Shared Service | 27.57 |
| | <hr/> 35.57 <hr/> |

Key Changes to the provision of Services

3.10 Many of the services provided by Parking Services are already outsourced, however there are a number of functions which have been identified which could in future be undertaken by a contractor. These are the CCTV enforcement function and the administrative element of the roles undertaken by the Shared Service. Table 1 below gives further detail.

- In respect of CCTV, there are currently 7 ftes employed to undertake Static, Mobile Unit and Bus lane enforcement. All staff in this section are directly affected by these recommendations.
- For parking permits, 1fte is employed outside of the shared service to undertake the administration functions.
- The Shared Service requires 16 fte to provide responses to statutory appeals under the Traffic Management Act and undertake associated administrative duties to ensure these services are delivered effectively. It is recommended a number of the more administrative functions should be undertaken by the contractor. It has been estimated that this function is equivalent to approx. 3.25fte, therefore a formal process will need to be implemented prior to the start of the new contract to identify which staff this will affect. It is not anticipated that TUPE will apply, as no staff spend more than 50% of their time on the work being transferred to the successful contractor.
- Currently there are a remaining 11.57fte undertaking other duties with the shared service. This will reduce to 10.57fte from April 15 following the transfer of some duties to the contractor, making the post redundant. These staff undertake duties including contract management for the 10 distinct service areas/contracts currently serving the two boroughs, responding to FOIs, cash reconciliation of all paid for parking, payments of invoices and ordering and associated budget monitoring, web management and customer interfaces for appeals and applications, along with related channel shift initiatives, parking related publicity/advertising and information, MP and Cllr enquiries, for respective boroughs, along with looking to develop the service through innovation and technology.

- The period between award of contract in April 2016 and go live in October 2016 will be a period of considerable activity and preparation, requiring the full resources of the shared service. However, a full review of the client side arrangements will take place by March 2017 and be reported to Members.

3.11 The proposals above will result in the following changes to the staffing establishment: -

| | Current FTEs |
|--|-------------------------|
| Current Staffing FTEs | 35.57 |
| CCTV | -7.00 |
| Parking Permits | -1.00 |
| Shared Service | -3.25 |
| Deletion of post within shared service | -1.00 |
| | <u>23.32</u> |

3.12 The overall FTEs in the shared service is split 56% for Bromley and 44% for Bexley. From October 2016 onwards, once the contract has been implemented, a formal review of staffing will be undertaken. Any savings will have to be split proportionally between the two boroughs.

Table 1 shows the services which are currently provided in house, which are recommended to be provided by a contractor.

| Item | Service area |
|-------------|---|
| 1 | CCTV ENFORCEMENT - Bromley staff only Static/Mobile/Bus Lane – |
| 2 | Provision of hardware |
| 3 | Pay machines –purchase and replacement. |
| 4 | Line and Sign Maintenance |
| 5 | PARKING ADMINISTRATION (Shared Service staff) <ul style="list-style-type: none"> • Printing, scanning and logging • Banking of PCN related cheques. Including processing credit card payments of PCNs & associated reconciliation. • Email communication • Processing of PCN/warrants/DVLA and associated administration. • Dispensations & Suspensions |
| 6 | PERMIT PROCESSING <ul style="list-style-type: none"> • Processing of applications, • Payments (cheque /cash and credit cards) and associated |

Table 2 shows the services which are currently provided by a contractor. However there are benefits to seek prices under this procurement exercise for possible future use. Prices are currently being sought from existing service suppliers.

| | | | | |
|---|--|-------------------------------|--|------------|
| 7 | Fixed penalty Notices. Option only for Bromley and Bexley. Price requested but other solutions may be adopted. | Outsourced (Ward Security) | | Price only |
| 8 | Call Centre functions Option only. Price requested but other solutions may be adopted/maintained. | Outsourced (Liberata) | | Price only |
| 9 | Cash Counting & banking. Collection already outsourced to Vinci Park | Outsourced (Liberata) | | Price only |

The British Parking Association Contract

3.13 The review team considered the BPA Contract offers a number of benefits over other contracts, including:

- Compliance with all parking contract regulations.
- Recommended in Guidance to the Traffic Management Act and by the House of Commons Select Committee.
- **Emphasises parking enforcement for traffic management purposes**, rather than for revenue raising.
- **Focuses on qualitative performance measurement**, such as staff training and correct issue of tickets.
- **Discourages financial targeting** of contractors, particularly based on ticket issue numbers and **incentives or bonus schemes for staff** which are also based on ticket numbers.
- **Encourages standard training** to be undertaken by all enforcement contractors a common contract to be used by both boroughs.
- Contractors understand and have confidence in the payment and performance mechanisms contained within the contract.
- More competitive bidding as contractors are familiar with the contracts terms and conditions and payment mechanisms.
- Known performance management processes linked to profit.
- Accelerator contract payment mechanism, with 2 'bit' drops for poor performance and 1 bit increases for improved performance.
- No additional client management costs with benefit of increased data and management information provided by the contractor.

3.14 Note; the BPA contract is not a framework agreement. Legal advice has confirmed it is suitable for this joint procurement process. The contract allows for both authorities to have their own specifications, KPI's and management information. Many aspects of the specifications and KPI's will be common between Bromley and Bexley but there is flexibility to allow differences to meet the needs of respective borough policies and/or standards. Members should be assured the Council set the standards and requirements of the specification and the levels of service required. The service standards within the specification can be reviewed throughout the course of the contract. The BPA contract does not set any minimum or maximum standards or expect 'industry' standards which should be adhered to.

- 3.15 In terms of financial payments and performance monitoring, the contract has a clear and well tested formula, rewarding good performance and penalising poor performance.
- 3.16 The BPA Model contract price is made up of basic services, (including fixed costs such as, labour cost, rent and equipment), and profit. Payment of the profit element of the contract price is based on contractor performance and meeting the set KPIs.

Contract Term

- 3.17 Longer-term contracts of up to 10 years are common for parking services and encourage investment by the contractor. Through discussions with contractors and other authorities who have recently let contracts, it was established that the optimum minimum contract term is 5 years. This is primarily due to the depreciation and life expectancy of hardware which is a significant investment for the contractor. Hardware items include, cars, motorbikes/scooters, PCs, hand held units, printers and body worn video, which traditionally lasts up to approximately 5 years.
- 3.18 The Council will be looking for a contract price fixed for the first 3 years of its operation and thereafter will allow labour cost indexation. The proposal on possible extension will allow for discussion on future cost increases, for instance those arising from re-provision of equipment etc. to be considered as part of the extension of contracts at the "Breakpoint" proposed.

Service to be tendered

- 3.19 The full list of services being recommended for inclusion in this contract is shown in Appendix 1:
- 3.20 Each of the service areas shown in appendix 1 has sub categories and each borough may not wish to adopt a particular service. For example Bexley have an in house school crossing patrol service, whereas Bromley have an outsourced school crossing patrol service and both boroughs currently wish to retain those arrangements.
- 3.21 Each of these scenarios has been considered by the review team who remain satisfied there is sufficient commonality of services and flexibility in the BPA contract for an effective contract model to be achieved.

Assets

- 3.22 On the termination of the current contract there will remain a number of hardware assets owned by LB Bromley. These include 300+ Pay and Display machines, 4 Mobile CCTV cars, 30 body worn videos, hand held units and printers used for the issuing of PCNs. The depreciation of these assets by the time of the 2016 go live will be significant. It is therefore proposed these are transferred to the successful contractor for ongoing maintenance and repair. Purchase of new hardware will be the responsibility of the contractor. The transfer of these assets will also reduce the contract price as less initial investment will be required. As with the existing contract Bromley owned Car Parks will be licensed to the contractor for the duration of the contract.

Parking Appeals Team.

- 3.23 A recent tribunal judgement against Gloucestershire County Council concluded that representations (appeals against Penalty Charge Notices) should be considered an integral part of the formal appeal process; and therefore that outsourcing appeals *or* representations to an enforcement contractor would conflict with the requirements of the Traffic Management Act 2004.

- 3.24 Bromley's Legal Service sought Counsels opinion on this ruling which stated, *'I agree with the adjudicators reasoning that the wording of the statutory framework is such that the council is not able to delegate decisions in relation to appeals.'*
- 3.25 Officers have undertaken considerable benchmarking and analyzed the process where authorities have used private contractors to make decision on appeals. It was found if any savings were to be had they were marginal as productivity did not increase. In fact some authorities have actually had to bring the service back in house due to poor standards and incorrect decisions on cases being made.
- 3.26 In light of the 2014 Gloucestershire ruling and authorities seeking their own legal opinion, some authorities have now brought the decision making process of dealing with appeals back in house irrespective of performance.
- 3.27 This matter was discussed prior to Counsels opinion being received at Parking Working Group on 18th December 2014, the minute states 'taking all factors into account, the Chairman was minded to recommend that the service be retained in-house, subject to consultation with the Portfolio Holder'.
- 3.28 Parking Working Group felt that appeal work should be undertaken as independently as possible. There would also be duplication if appeals were outsourced - in house officers would need re-assurance that a correct decision was being recommended in a decision letter.
- 3.29 LB Bromley is also one of the highest performing London boroughs traditionally achieving an 80% collection rate for PCNs issued. In a recent "health check" of the shared service, Alpha Parking Consultants indicated a particularly positive performance for appeals work at a low cost.
- 3.30 Bexley Member and officers view is for the appeal team to remain in house. Whilst not insurmountable, having an in-house appeals service for Bexley and an external one for Bromley managed within the same team would complicate the joint service for what is likely to be little or no saving and a significant risk of challenge.
- 3.31 A review in 2014 looked at the staffing structure of the shared service team, following its bedding-in over the previous year. A number of recommendations were identified by officers and also made by the consultants, which have been implemented and the Parking Shared Service continues to deliver savings previously identified. The exact split between client and contractor is to be determined and will be reflected in the final contract documentation.

Performance and management information

- 3.32 Within the contract, performance should be judged according to how far desired transport objectives are achieved and proof that a high level of customer satisfaction has been achieved.
- 3.33 The use of the BPA contract allows for any number of KPIs to be included. Officers have taken time to meet and discuss this particular area of the contract with other authorities.
- 3.34 Payments or deductions of payments are dependent on contractors meeting a number of KPIs. Each primary KPI may be made up from a number of secondary KPIs. For example: (Primary KPI), Ensure all documentation is processed within set timescales. The Secondary KPIs in which case would be, (1) 99% of all incoming post logged and scanned the same working day as receipt. (2) 100% off all statutory documents sent the day they are ready for print, etc.

- 3.35 Officers would like to record their thanks to those authorities who shared experience, knowledge and offered advice in this process to be noted. It is through these discussions that 'key' KPI have been identified to ensure high performance, but allow for efficient solutions to be offered by potential contractors to keep costs down.
- 3.36 The final set of KPI's will form part of the Tender documentation. Recommendation 2.6 seeks delegated authority for the Director of Environmental and Community Services to agree the specification and KPIs to be included in the contract. Setting KPIs which are very high will increase the cost of the contract, but may result in very little effect to the operation or customer experience. e.g. setting 100% of all Permit applications to be dealt with on the same working day of receipt.
- 3.37 This is potentially possible, but a contractor's failure to hit the target will result in the withholding of a payment. In order to guarantee meeting the KPI more resource will be required and ultimately result in an increased bid/contract price.
- 3.38 If therefore a target of 95% of all Permits to be processed within 5 working days and 100% within 10 working days were to be set, this would be more easily achieved with less risk to the contractor and therefore cost to the Council, but little effect on the customer.
- 3.39 The use of management data and information, linked to KPIs is vital to a successful contract. The BPA contract encourages agreeing key reports in advance which are to be produced by the contractor for client scrutiny. This will save considerable officer time and allow for early identification of any issues or concerns.

Procurement options

- 3.40 The Joint Officer Board have considered the various options available under the EU Procurement Regulations and consider the use of the Restricted (Two Stage) Tender process to best provide for the tendering of this service. Care will be taken to ensure that options are properly identified and, where use by others is proposed, this is correctly included in the EU Tender Notice. Provided the Notice includes sufficient detail on the nature of the proposed Joint Contracting with Bexley; the different service elements which may (or may not) be finally adopted and the scope of variations for future activity, the proposed tendering route and contracting arrangements should provide the best opportunity for a satisfactory outcome from this process to be achieved.

4. POLICY IMPLICATIONS.

- 4.1 This Gateway review will further the aim of the draft Environment Portfolio Plan 2014/17 to "Provide fair and effective parking services", as well as the Plan's commitment to "Maintain control of our contracts at both Member and operational level, including reviewing our approach to services whenever contracts are renewed".
- 4.2 The Review team will continue to take into account any relevant issues which may arise from the proposed procurement options.
- 4.3 Should any service changes be recommended under the proposed new contract, some public consultation may be required.
- 4.4 Parking Services has an effect on a number of stakeholders and services directly link to a number of the Building a Better Bromley, including Vibrant, Thriving Town Centres, Safe Bromley, Quality environment, and an excellent council.

5. FINANCIAL IMPLICATIONS.

5.1 The current parking contract is split into two elements; a fixed basic service and a variable fixed rate service. The variable service includes ad hoc repairs to equipment, the cost of tariff changes, re-wiring/replacing plates, and any other miscellaneous services that are required. Such works are in accordance with a pre-approved schedule of rates. Under the new contract much of the current variable element will become part of the fixed contract price.

5.2 LB Bromley's 2015/16 budget for the parking contract is detailed in the table below:

| Parking contract budget 2015/16 | Fixed Element £'000 | Variable Element £'000 | Total Budget £'000 |
|---|--------------------------------|-----------------------------------|-------------------------------|
| Car Park operations and maintenance | 576.0 | 60.4 | 636.4 |
| Equipment repair and maintenance | 333.3 | 31.6 | 364.9 |
| Enforcement | 1,235.5 | 6.6 | 1,242.1 |
| Total Parking Contract Budget | 2,144.8 | 98.6 | 2,243.4 |
| School Crossing Patrols | 179.9 | 0.0 | 179.9 |
| Funded by: - schools | (112.1) | 0.0 | (112.1) |
| Funded by: - TfL | (66.0) | 0.0 | (66.0) |
| Total Net Budget for School Crossing Patrols | 1.8 | 0.0 | 1.8 |
| Permit parking | 42.0 | | 42.0 |
| Equipment/signs & lines/maintenance | 118.0 | | 118.0 |
| Airtime for pay & display machines | 84.0 | | 84.0 |
| Mobile CCTV enforcement | 116.0 | | 116.0 |
| Static CCTV enforcement staff | 164.6 | | 164.6 |
| IT system | 50.0 | | 50.0 |
| Postage & staffing | 121.0 | | 121.0 |
| | 695.6 | 0.0 | 695.6 |
| Total budget | 2,842.2 | 98.6 | 2,940.8 |

5.3 The recommendations in this report will put a number of staff at risk of redundancy. Exact details/costs are not known at this stage and are dependent on how many of the staff are employed by LB Bromley, as redundancy costs within the shared service are the responsibility of the employing authority.

5.4 As highlighted in 3.9 above, within Bromley, 8ftes are directly affected in the CCTV and permit parking areas of the service. In addition there are currently 26.57ftes employed in the parking shared service across the two boroughs, 16ftes of these undertake the statutory appeal work and associated administration work. It is proposed that the parking administrative work will be included in the new contract and that this will be currently being undertaken by 3.25ftes of the shared service.

5.5 Officers are in the process of negotiating reductions in recharges and contractor payments for the post room, contact centre and cash collection functions which are to be included in this contract. It should be noted that there is a risk that for these functions, savings may not be realised, however Members will have an option to exclude these from the contract when the result of the tender exercise is reported back in 2016.

- 5.6 The proposed BPA contract will be significantly different to the current contract in terms of KPI's and incentives. Officers will work with the contractor and undertake stringent monitoring of the new KPI's, to reduce any risks including reduction in service standards or associated risks to future income levels.

6 LEGAL IMPLICATIONS

- 6.1 The primary purpose of penalty charges is to encourage compliance with parking restrictions. The statutory guidance to local authorities under the 2004 Traffic Management Act says "For good governance, enforcement authorities need to forecast revenue in advance. But raising revenue should not be an objective of CPE, nor should authorities set targets for revenue... " The performance measures in this contract will focus on achieving compliance to reduce congestion and improve road safety. They are not a tool for encouraging the contractor to use Penalty Charge Notices to raise revenue.
- 6.2 Bromley's Legal Service sought Counsels opinion on the issue of private sector companies providing replies to appeals as set out in 3.20 to 3.28, this ruling which stated, '*I agree with the adjudicators reasoning that the wording of the statutory framework is such that the council is not able to delegate decisions in relation to appeals.*' It is therefore not recommended to consider the inclusion of this service in the service being recommended for inclusion in the contract.
- 6.3 The Deregulation Bill is currently awaiting decision in the House of Commons. Clause 39 would in effect remove the right to enforce parking restriction by CCTV, with the exception of School Zig Zags and Bus Stops. This legislative change will have a direct effect on the CCTV Enforcement Services shown in appendix 1, along with an associated effect on back office staffing levels. The decision is set for no later than 30th March 2015. Officers will provide an update for members at the committee meeting.

7 PERSONNEL IMPLICATIONS

- 7.1 Any staffing implications arising from these recommendations will need to be carefully planned for and managed in accordance with the Council policies and procedures and with due regard for the existing framework of employment law. In the event that a contract is awarded to an external provider the Council will consider whether or not the Transfer of Undertakings (protection of Employment) Regulations 2006 (TUPE) as amended (2014) would apply and the consequential legal and financial implications arising from this. If an award was made, some of the staff may be subject to TUPE.
- 7.2 The recommendations contained in this report have a known and direct effect on at least 16 staff in two sections within Parking Services. Affected staff have been informed and a consultation process will take place in April 2015 subject to the recommendations contained within this report.

| | |
|---|---|
| Non-Applicable Sections: | Personnel Implications |
| Background Documents: (Access via Contact Officer) | Parking Shared Service Report November 2012 Collaboration Agreement Report Collaboration Agreement 2013 Paper for Parking Working Group on Outsourcing – October 2013 and December 2014. Report number ES 14034 July 2014 – Procurement Gateway Review. |

APPENDIX 1

| |
|---|
| Core contract. |
| Contractor must provide the service from day one. |
| Parking enforcement, on and off street including CCTV enforcement. |
| Car Park and Asset management, including cleaning and maintenance. |
| Provision of hardware, cars, computers, etc. |
| Cash collection (cash counting and banking may be optional) |
| ICT system, customer interfaces and payment mechanisms. |
| Administration including post handling, scanning and banking, etc. |
| Permit processing. |
| School Crossing Patrols |
| Mobile Phone payment for park services |
| Enforcement Agent Services, (formally known as bailiffs). |
| Additional Services. |
| Contractor must provide a price, but may not be utilised from the outset. |
| Fixed Penalty Notices for litter, dog fouling, etc. |
| Call Centre/Call Handling. |

Indicative Timescale

| OBJECTIVES | DATE |
|---|------------------------------|
| Formal Committee approval | March 2015 |
| Delegated sign of – specification and KPIs | April 2015 |
| Publication of advertisement, despatch of OJEU notice | May 15 |
| Return of pre-qualification questionnaire | Jul/Aug15 |
| Short list prepared, tender evaluation process agreed | Aug/Sep 15 |
| Specification signed off | Sep/Oct 15 |
| Despatch of invitation to tender and specification | Oct/Nov 15 |
| Pre-tender clarification meetings and dealing with tenderers' questions | Dec 15/Jan 16 |
| Return of tenders | Jan/Feb 16 |
| Tenderers' presentations and evaluation | March 16 |
| Selection and contract award report to Executive | March 16 |
| Transition phase begins | June 16 |
| Contract commencement date | 1 st October 2016 |

Report No.
CSD15041

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive

Date: 24th March 2015

Decision Type: Non-Urgent Executive Non-Key

Title: LAND KNOWN AS BECKENHAM GREEN LOCATED BETWEEN HIGH STREET AND ST GEORGE'S ROAD BECKENHAM FOR REGISTRATION AS A TOWN OR VILLAGE GREEN

Contact Officer: Greg Ullman, Lawyer
E-mail: greg.ullman@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: Copers Cope

1. Reason for report

The Development Control Committee of 25th November 2014 considered a report relating to the third party application to register the Land as a new Town or Village Green. The report recommended that, as the application failed to meet the legal criteria for a third party registration, it should be rejected. The Committee resolved that registration of the land as a new town or village green be declined for the reasons set out in the report and that the matter be referred to a meeting of the Executive for the Council to consider voluntarily registering the land as a town green in its capacity as owner of the Land. This report is for the Executive as the relevant decision maker to consider whether to follow this course of action.

2. **RECOMMENDATION(S)**

The decision of the Executive as landowner is sought on whether it is minded to have the Land registered as a new Town or Village Green or not. If it is agreed to seek voluntary registration the Director of Regeneration and Transformation is given delegated authority to submit an application for voluntary registration to the Council as Registration Authority.

Corporate Policy

1. Policy Status: Not Applicable:
 2. BBB Priority: Quality Environment:
-

Financial

1. Cost of proposal: If the registration takes place, it is not anticipated that this will involve any cost additional to the routine maintenance currently being carried out.
 2. Ongoing costs as 1 above
 3. Budget head/performance centre:
 4. Total current budget for this head: £
 5. Source of funding:
-

Staff

1. Number of staff (current and additional): No additional staff required
 2. If from existing staff resources, number of staff hours: it will be necessary for an officer to complete and submit the application in the event of it being decided to proceed to registration, and another officer will be required to process that application and report to Development Control Committee:
-

Legal

1. Legal Requirement: The Council as Registration Authority has a statutory duty to process any application made by the Council as Landowner.
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected) Residents of the area in which the Land is located – difficult to estimate on current information.:
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 Reference is made to the report to the Development Control Committee meeting on 25th November 2014 which sets out the detailed legal implications and considerations which are to be applied when considering an application by any party other than the owner of land for the registration of that land as a new Town or Village Green. The report is attached as Annex A.

3.2 An application was received by the Council, in its capacity as Registration Authority for the purposes of the Commons Act 2006, from Mr David Wood, seeking the registration of the Land as a new Town or Village Green.

3.3 As Registration Authority, the Council processed this application, publicised it and sought comments.

3.4 A small number of responses were received in the consultation period, including a response from the Council as landowner. As landowner, it was stated that, in addition to a comment about the lack of any supporting evidence, "Whatever the merits of the application however, the applicant makes the point himself that the land has been appropriated to recreation use and that it is designated as POS. It is in fact a public park. On that basis the use by the public is by right and not as of right and consequently, in accordance with the recent North Yorkshire CC case, the application should be rejected as it does not meet the TVG registration requirements." A summary of the responses, including the Applicant's reply to the proposed recommendation are contained in the report the Development Control Committee.

3.5 The Report to Development Control Committee recommended that the application be refused as it clearly failed to meet any of the legal criteria for registration. Members are requested to read Annex A to familiarise themselves with the background and legal considerations, including the importance of the distinction between use "*as of right*" and "*by right*".

3.6 When the Development Control Committee considered the report to them, they accepted the advice that the application failed to meet the legal criteria to register the Land, but asked the Executive to consider whether the Council as the land owner on a voluntary basis should dedicate the land as a Town Green.

3.7 The Commons Act 2006 provides at S15 (8) that "*The owner of any land may apply to the commons registration authority to register the land as a town or village green*". If such an application is made, then the Council as Registration Authority must grant the application if it is satisfied that the applicant is the owner of the land and that any consents required (eg charge holders, leaseholders) have been obtained. Such an application does not need to satisfy any of the other tests required when a non-owner makes such an application.

3.8 The application for registration of the Land as a new town or village green which was submitted by Mr David Wood fails to satisfy the legal tests required for the registration to proceed. If however, the Council as land owner wishes the registration to take place, then the way to proceed with this should be by making an application for voluntary registration.

3.9 Mr Wood has subsequently written a letter which he wishes to be considered by the Executive which is produced here as Annex B. Mr Wood has asked that the Council also consider the registration of an additional area of land.

LEGAL IMPLICATIONS

4.1 Fully addressed in the body of the report and in Annex A.

| | |
|--|----------------------------|
| Non-Applicable Sections: | Policy/Financial/Personnel |
| Background Documents: (Access via Contact Officer) | |

Report No.
CSD14159

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: DEVELOPMENT CONTROL COMMITTEE

Date: Tuesday 25th November 2014

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

Title: LAND KNOWN AS BECKENHAM GREEN LOCATED BETWEEN HIGH STREET AND ST GEORGE'S ROAD FOR REGISTRATION AS A TOWN OR VILLAGE GREEN

Contact Officer: Greg Ullman, Lawyer
020 8461 7625 E-mail: greg.ullman@bromley.gov.uk

Chief Officer: Director of Corporate Services

Ward: Copers Cope

1. Reason for report

The Council is the Registration Authority for town and village greens within its area. Section 15 of the Commons Act 2006 provides that land can become a new green if a significant number of the inhabitants of any locality or any neighbourhood within a locality have indulged as of right in lawful sports and pastimes on the land for a period of at least 20 years. They must continue to do so at the time of the application or meet the alternative qualifying period specified in section 15. The Council received an application dated 24th March 2014 to register land comprising the area of ground known as Beckenham Green bounded by High Street Beckenham and St Georges Road, Beckenham on the basis that it has become a Town Green. After completion of the statutory requirements, it is the duty of the Council as registration authority to decide whether or not the area should be registered as a new Town or Village Green, or whether to cause a public inquiry to be held for an Inspector to make a recommendation in this respect. The purpose of the report is to set out the legal position and the evidence for members to make that decision.

2. **RECOMMENDATION(S)**

To decline to register the land as a new town or village green for the reasons set out in the report.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre:
 4. Total current budget for this head: £
 5. Source of funding:
-

Staff

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Not Applicable: This report does not involve an Executive decision
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments:

3. COMMENTARY

Land, once registered as a Town or Village Green, will remain available for continued enjoyment by the inhabitants for recreational use. Registration does not in itself confer any recreational rights that did not exist prior to registration. The practical effect of registration is only to confirm the existence of such rights. Consequently, a registered Town Green is held in the same way as any other land and, although nothing should be done which would interfere with the lawful recreational activities of the local inhabitants, the owner is not required to maintain it in a suitable state for such activities. A significant consequence of registration is that the land cannot be developed in such a way as would make it impossible to exercise those rights

There is a legal framework which must be applied to any application for such a registration.

3(1) Requirements of S15 of the Commons Act 2006

The application was made by Mr David Wood in terms of S15(2), which states:

15 Registration of greens

(1) Any person may apply to the commons registration authority to register land to which this Part applies as a town or village green in a case where subsection (2), (3) or (4) applies.

(2) This subsection applies where—

(a) a significant number of the inhabitants of any locality, or of any neighbourhood within a locality, have indulged as of right in lawful sports and pastimes on the land for a period of at least 20 years; and

(b) they continue to do so at the time of the application.

The burden of proof lies on the applicant to establish to the civil standard of balance of probabilities. Thus, in order to fulfil this requirement, the applicant must prove the various elements of the requirements, namely:

a) “A significant number...”

This does not necessarily mean substantial, but should be sufficient to indicate that their use of the land signifies that it is in general use by the local community for informal recreation, rather than occasional use by individuals as trespassers. Provided that a significant number of the inhabitants of the claimed locality or neighbourhood are among the users, it does not matter that many come from elsewhere. The requirement is to establish a clear link between the locality or neighbourhood and the proposed town or village green.

b) “... of the inhabitants of any locality...”

A “locality” cannot be created by drawing a line on a map. It must be some division of the county known to law, such as a borough, parish or manor.

c) “...or of any neighbourhood within a locality...”

Where a locality is relied on, for instance a town, it can be a relevant locality even if it is not (or is no longer) a recognisable local government unit.

d) "... have indulged as of right..."

As of right means that it is not use by force, stealth or with the licence of the owner. This does not turn upon the subjective belief of the users. The use must be judged objectively, from the standpoint of a reasonable owner.

e) "... in lawful pastimes..."

This is a composite expression which includes informal recreation such as walking, with or without dogs, and childrens play. Use that is more in the nature of a right of way, a cut-through or a shortcut will not fall to be considered as a lawful sport or pastime

f) "...on the land..."

"Land" is defined as including land covered by water, but is generally accepted as excluding buildings.

g) "...for a period of at least 20 years..."

The relevant use must generally continue throughout the whole of the 20 year period.

h) "...and they continue to do so at the time of the application."

In order to satisfy the criteria in S15(2) the qualifying use must continue at the date of the application.

3(2) The application and supporting evidence

The application may be made by any person, and should be done by completion and service of the Form 44, which contains an affidavit in support of the application and a map showing the location of the land in question.

Mr David Wood has made the application. An Ordnance Survey map was submitted showing the area in question. Although the area is identified on the Ordnance Survey as Beckenham Green the land is not shown in as Register of Town and Village Greens as a designated green

A supporting statement and statutory declaration were submitted by the applicant, together with an extract of the Minutes of the Council's Recreation Committee dated 8th September 1970.

The application fulfilled the basic requirements and was accepted by the Council as Registration Authority. The Registration Authority therefore proceeded with publicising the application and requesting comment from the public.

During the consultation period **one letter of inquiry** was received. This asked what the application to register the land as a Town or Village Green means as isn't it already a green for public use so what difference will this registration mean.

3(3) Opposing submissions

The London Borough Bromley in its capacity as landowner was advised of the application.

They responded within the consultation period as follows:-

“I note that Mr Wood has not included any supporting evidence at all; there is nothing indicating the nature of the recreational activities undertaken by the local population, nor the number of people using the land or the frequency of use. The only thing he mentions is that he planted a tree there in 1973.

Whatever the merits of the application however, the applicant makes the point himself that the land has been appropriated to recreation use and that it is designated as POS. It is in fact a public park. On that basis the use by the public is by right and not as of right and consequently, in accordance with the recent North Yorkshire CC case, the application should be rejected as it does not meet the TVG registration requirements.”

3(4) The applicant's response

A copy of the above mentioned documentation, was sent to the applicant The applicant was invited to make any further submissions and responded with the following points:-

“In my original application and answering the comment made by Susan Fraser, Solicitor (employed by Bromley?) I had mistakenly assumed both parties were clearly aware how the public benefits by using Beckenham Green. These include simply enjoying the open green space for a quiet sit down, communing with the natural world during a walk, to visiting the regular markets, fairs and occasional concerts held on the Green for the enjoyment of all residents and friends.

I have never regarded it as a ‘Park’ in the same manner as Kelsey Park or Croydon Road Recreation Ground for instance and it is not named as such. Having seen the area recover from World War 2 bombing via a temporary car park and subsequently an open green space for the benefit of the townscape and residents of and visitors to Beckenham I am loath to see it lost to any possible development project or revert back to a car park.

It was mentioned by the appointed architect, Julian East, overseeing the Beckenham town centre improvements, at the June meeting of the Council's Working Party, that he was minded to introduce more paving and hard surfaces on the Green. I immediately interjected that we did not wish to see a ‘Town Grey’ rather than the current pleasant green landscape in that location. As a ‘Town Grey’ it could still be a park but registration as a Town Green would prevent such spoiling of our valuable asset.

With Bromley on both sides of the argument it is no doubt difficult to see the change of status. However one thing does strike me.

If changed to a Town Green who would maintain it; would it be LBB or would I have to get the mower out. There are already Beckenham Green Friends who do some planting and maintenance and enjoy the open space.

‘By right’ and ‘as of right’ quoted by Ms Fraser and the reference to the North Yorkshire CC case is interesting but is hardly relevant in this case as it is not land left over from a housing development. As a ‘park’ Beckenham Green can be used by right of LBB apparently but as a Town Green it is open to all so far as I can understand it.

I am sure all residents are pleased to be able to access the land by courtesy of LBB but to protect it in perpetuity for the people it should be registered under Section 15 of the Commons Act 2006 in line with my application.

I hope an approval recommendation will be put to the DCC in due course.”

3(5) Analysis

Having made a valid application, it is for the applicant to show, on the balance of probabilities, that the application land fulfils all the criteria for registration.

The tests mentioned in part 1 of this document should therefore be applied.

a) “A significant number...”

The application is not supported by evidence of numbers of users. There have been no supporting statements other than as detailed in this report, and no one came forward as a result of the publication of the application other than the letter of inquiry referred to.

If we are to take it that the applicant and the letter of inquiry writers have used the area as required, for the requisite time, this does not amount to a body of actual evidence that a significant number of people have done so.

There would therefore appear to be a lack of evidence to support this aspect of the definition

b) & c) “..of the inhabitants of any locality or of any neighbourhood or locality...”

Similar comments apply as in relation to the first point. With a lack of supporting evidence, it is difficult to take these points any further.

There would therefore appear to be a lack of evidence to support this aspect of the definition

d) “... have indulged as of right...”

In relation to this aspect of the definition, attention must be paid to the letter of objection by the Council in their capacity as landowner and to the terms of the resolution of the Recreation Committee dated 8th September 1970. The Minute states:

“The Council at their meeting on 27th July, 1970 adopted the Development Committee’s recommendation (Minute 215) that the island between High Street, Albemarle Road and St. Georges Road, adjoining the church, be retained as an open space. For many years the site had been maintained as a closed grass area but numerous complaints had been received about its appearance. The land which comprised some 1.95 acres was surrounded by shops and offices and the Director of Parks felt that it would satisfy a demand if developed for passive recreation and so improve the appearance of the area.

RECOMMENDED that the island site between High Street, Albemarle Road and St Georges Road be appropriated to the Recreation Committee for use as public open space”

As public open space, the right to access the area would be “by right” (ie in exercise of a legal right to do so, as opposed to “as of right”.(ie without permission, force or secrecy).The

public is entitled to use the land for lawful sports and pastimes in accordance with any bylaws regulating its use.

In a case decided this year [*R(Barkas) v North Yorkshire County Council*], the Supreme Court decided that “...where the owner of the land is a local authority which has lawfully allocated land for public use (whether for a limited period or for an indefinite period), it is impossible to see how, at least in the absence of unusual additional facts, it could be appropriate to infer that members of the public have been using the land “as of right”, simply because the authority has not objected to their using the land. It seems very unlikely that, in such a case, the legislature could have intended that such land would become a village green after the public had used it for 20 years. It would not merely be understandable why the local authority had not objected to the public use; it would be positively inconsistent with their allocation decision if they had done so. The position is very different from that of a private landowner, with no legal duty and no statutory power to allocate land for public use, with no ability to allocate land as a village green, and who would be expected to protect his or her legal rights.”

This would therefore appear to preclude the registration in terms of the application.

e) “...in lawful pastimes...”

The applicant has not given any indication of the activities which it is claimed would constitute “lawful pastimes”. There would therefore appear to be no actual evidence to support this aspect of the definition.

f) “...on the land...”

The land is open land.

g) & h) “...for a period of 20 years and they continue to do so at the time of the application”

Reference should be made to points a – e above.

There would therefore appear to be no evidence to support this aspect of the definition.

3(6) Conclusions

As may be seen from the analysis above, it is not considered that the application can succeed.

The recent Supreme Court decision indicates that land which is held by a local authority for a purpose which allows the public to have access to it, is likely to be used “by right” as opposed to “as of right”.

This being the case, it would appear that the application falls at this hurdle.

For the sake of completeness, it would appear that, even if this were not the case, the application would fall generally in relation to the other strands of the test as there is a lack of actual supporting evidence as to the nature and extent of the claimed use of the land. The evidence as to actual user is limited and one is left to draw inferences from the appropriation of the land as public open space as to what the actual use has been over the qualifying

period. There is no evidence of “unusual additional facts” that could justify an alternative conclusion.

3(7) Options

The Council as Registration Authority may decide to register or decline to register the land as a new Town or Village Green on the basis of the application and the evidence before them.

Alternatively, the Council may wish to cause a Public Inquiry to be held before a suitably qualified Inspector. If an inquiry is held, the Inspector would consider the application and evidence, hear witnesses, and apply the law to the facts and then report to the Council with a recommendation as to whether or not to register the land as a new Town or Village Green.

If the applicant or landowner is not satisfied with the outcome of the application, the remedy open to them is to seek a judicial review of the decision of the Council as registration authority.

4. FINANCIAL IMPLICATIONS

If a Public Inquiry is to be held, the cost could amount to £15 – 20,000.

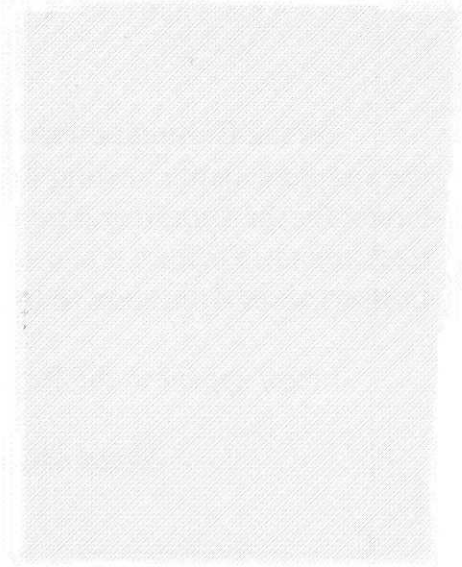
5. LEGAL IMPLICATIONS

Addressed in the body of the report

6. PERSONNEL IMPLICATIONS

If there was to be a Public Inquiry, then one member of staff would be required to act on behalf of the Council as Registration Authority and one on behalf of the Council as landowner, together with any staff required as witnesses.

| | |
|---|--|
| Non-Applicable Sections: | Policy Implications |
| Background Documents: (Access via Contact Officer) | The file containing the application and other documents referred to in this report may be obtained from the writer and will be available to members prior to the committee |



Mr Greg Ullman,
Bromley L..B.,
Stockwell Close,
BROMLEY
BR1 3UH

Dear Mr Ullman,

LAND KNOWN AS BECKENHAM GREEN

Following the Development Control Committee decision to decline to register the above land as a Town Green the matter is now to be decided by the Council's Executive.

I was naturally disappointed that a Court decision regarding a plot of land in Yorkshire was taken as good reason to reject my application but hopefully the Executive will see the wisdom of registration simply to safeguard this open green space.

I appreciate that the Borough owns the land but in these straitened financial times an offer by a developer to buy the land could prove too good to refuse particularly as the Council Leader is looking everywhere to raise funds. The part redevelopment of Crystal Palace Park is a good illustration of his quest to sell off the Borough's green spaces.

As regards my application care was taken to omit a portion of the land in the North East corner of the site which is used by Bromley Road School as a games area. In retrospect I now believe this should be included as it strengthens the case for registration adding to the uses of the whole area.

As the Borough owns the site and is the registration authority it is the simplest matter costing little or nothing to safeguard Beckenham Green for the benefit and peace of mind of all residents of and visitors to Beckenham. Further, it is a significant part of the Beckenham St George's Conservation Area soon to be extended through the whole High Street.

I thus appeal to the Executive to support my revised application.

Yours sincerely,

David J. Wood,
Chairman of APCA (Advisory Panel for Conservation
Areas – Bromley) and President of The Beckenham Society.

Report No.
DCS15039

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Executive**

Development Control Committee

Date: **24 March 2015**

Decision Type: Non-Urgent Executive Non-Key

Title: **COUNCIL MOTION - PETTS WOOD AREA OF SPECIAL RESIDENTIAL CHARACTER**

Contact Officer: Graham Walton, Democratic Services Manager
Tel. 020 8461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: Petts Wood and Knoll

1. Reason for report

1.1 At the Council meeting on 23rd February 2015 a motion was proposed by Councillor Simon Fawthrop and seconded by Councillor Douglas Auld on the Petts Wood Area of Special Residential Character (ASRC.) The motion was amended to refer the matter to the Executive for decision and passed by Council. This report is also passed for information to Development Control Committee. The full text of the motion is set out in section 3 of this report.

2. **RECOMMENDATIONS**

- (1) **Development Control Committee is requested to consider the motion and pass any comments to the Executive.**
- (2) **The Executive is requested to consider the recommendation from Council on 23rd February proposing an updated statement in the Unitary Development Plan (UDP) relating to the Petts Wood Area of Special Residential Character (ASRC) which will also for the basis of any descriptions in the Local Development Framework (LDF)**

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: £Not Applicable
 5. Source of funding: Not Applicable
-

Staff

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 At the full Council meeting on 23rd February 2015 a motion was proposed by Councillor Simon Fawthrop and seconded by Councillor Douglas Auld on the Petts Wood Area of Special Residential Character. With a slight amendment to reflect that any decision would have to be taken by the Executive, rather than the Council, the motion was referred to the Executive. The full text of the motion, as amended and as agreed, was –

Petts Wood Area of Special Character (ASRC)

Moved by Cllr Simon Fawthrop and seconded by Cllr Douglas Auld -

This Council recommends to the Executive that the existing statement in the Unitary Development Plan (UDP) in relation to the Petts Wood Area of Special Character (ASRC) should be supplemented with the following updated statement which should also form the basis of any descriptions within the Local Development Framework (LDF) including any future reports to Development Control Committee. This supplement should take place with immediate effect, subject to any statutory or technical considerations, which should be expedited.

1.3 Petts Wood Supplement to the Descriptions in the UDP:

The original plans for Petts Wood date from the late 1920s and early 1930s. While Houses were built over a number of years, in a number of similar though varied styles, the road layout and plot sizes were established in an overall pattern. Today the layout remains largely intact. Within the overall area the Conservation Areas of the Chenies and Chislehurst Road already stand out.

The plots were originally designed on the garden suburb principle by developer Basil Scruby, with large plot sizes spaciouly placed. The characteristics of the Petts Wood ASRC include an open feel, predicated by low boundaries and visible front gardens, set back from the road; there is also spaciousness between the houses which is of a superior standard. This allows many of the trees and greenery which prevails throughout the area to be seen from the street scene giving the area its open and semi- rural feel in line with the garden suburb principle. This open and suburban aspect of the area underlines the special characteristic of the area. Development which erodes this special character will be resisted.

The separation between building and the rhythm and pattern of the houses adds to the special character. In many cases there is a much wider separation between houses than in other parts of the Borough which demands a higher degree of separation between buildings to maintain the special character, the openness and feel of the area. Where there are pairs of houses that complement the rhythm of the street scene there is also a prevailing symmetry between the houses. This symmetry can also be seen between neighbouring pairs. The plots are set out in such a way that the spacious character is one of a clear detached and semi-detached nature.

The front building and rear building lines are also of importance in defining the area. The buildings are of a 1930s design, for example some built by the distinguished designer Noel Rees, which adds to the character of the area. Whilst there have been some changes post war this design aspect of the area remains intact and future development should respect this characteristic. The front roof lines are also of a nature which enhances the characteristic of the area being largely untouched by roof extensions and conversions at the front.

The plot sizes and rear gardens are mostly of a size which is commensurate with the Garden Suburb principle and this characteristic also forms part of the amenity value which makes the area special.

When considering future development within the Petts Wood ASRC, the main focus will be on the impact of any proposed development on the ASRC, taking into account the design and spatial standards including the low density of existing development. Proposals which undermine the character, rhythm, symmetry and spatial standards of the area will be resisted. Likewise new dwellings proposed on gardens and infill will also be strongly resisted. In this context special is used in the dictionary sense to mean distinguished from others of the same category, because it is in some way superior or held in particular esteem.

4. POLICY IMPLICATIONS

- 4.1 The status of Development Plan only applies to policies that have been subject to the full development plan preparation process, such as inclusion in a ‘consultation draft’ Local Plan and if necessary the Examination in Public, and thereafter formal adoption. The Petts Wood Supplement has, therefore, not reached that Development Plan status as this time.
- 4.2 If approved by the Executive, this Petts Wood Supplement can be included in the next available and appropriate consultation draft Local Plan. It is expected that the Executive will make a separate decision at a future meeting on the contents of the draft Local Plan as a whole. The weight to be given to the contents of a draft Local Plan will generally increase if there are no objections and the more advanced the draft becomes.
- 4.3 In the meantime, the supplement is capable of being a material planning consideration when considering planning applications.

5. LEGAL IMPLICATIONS

- 5.1 Whereas Council is empowered to make any final decisions on the adoption and amendment of the Local Plan this must be done following consideration by and the necessary recommendation from the Executive. The Executive is also the responsible body for much of the preparatory work and for agreeing policy which supports the Local plan .

| | |
|---|---------------------|
| Non-Applicable Sections: | Financial/Personnel |
| Background Documents: (Access via Contact Officer) | None |

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of the Local Government Act 1972.

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