

## TO MEMBERS OF THE COUNCIL

**Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 11 December 2017 at 7.00 pm which meeting the Members of the Council are hereby summoned to attend.**

### Prayers

## A G E N D A

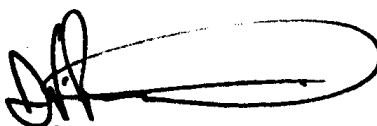
- 1 Apologies for absence
- 2 Declarations of Interest
- 3 To confirm the Minutes of the meeting of the special and ordinary meetings of the Council held on 25th September 2017 (Pages 3 - 90)
- 4 Petitions
- 5 Questions from members of the public where notice has been given.  
  
*Questions must be received by 5pm on Tuesday 5<sup>th</sup> December 2017.*
- 6 Questions for oral reply from Members of the Council where notice has been given.
- 7 Questions for written reply from Members of the Council where notice has been given
- 8 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 9 Council Tax Support/Reduction Scheme 2018/19 (Pages 91 - 130)
- 10 Budget Monitoring 2017/18 (Pages 131 - 176)
- 11 Treasury Management - Quarter 2 Performance 2017/18 and Mid-Year Review (Pages 177 - 202)
- 12 Scheme of Delegation - Public Protection and Safety Portfolio (Pages 203 - 212)
- 13 Councillor Attendance (Pages 213 - 214)
- 14 To consider Motions of which notice has been given.

- 15 The Mayor's announcements and communications.
- 16 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006, AND THE FREEDOM OF INFORMATION ACT 2000

To consider an item in respect of which resolutions have been passed under the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation Order 2006) and the Freedom of Information Act 2000.

Items of Business	Schedule 12A Description
17 Opportunity Site G Development Programme (Pages 215 - 250)	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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Chief Executive

**BROMLEY CIVIC CENTRE  
BROMLEY BR1 3UH  
Friday 1 December 2017  
Vol.54 No.6**

## **LONDON BOROUGH OF BROMLEY**

### **MINUTES**

**of the proceedings of the special Meeting of the  
Council of the Borough  
held at 6.30 pm on 25 September 2017**

#### **Present:**

**The Worshipful the Mayor  
Councillor Kathy Bance MBE**

**The Deputy Mayor  
Councillor Kevin Brooks**

#### **Councillors**

Vanessa Allen  
Graham Arthur  
Julian Benington  
Nicholas Bennett J.P.  
Ruth Bennett  
Eric Bosshard  
Kim Botting FRSA  
Katy Boughey  
Lydia Buttinger  
Stephen Carr  
Alan Collins  
Ian Dunn  
Judi Ellis  
Robert Evans  
Simon Fawthrop  
Peter Fookes

Peter Fortune  
Will Harmer  
Samaris Huntington-  
Thresher  
William Huntington-  
Thresher  
David Jefferys  
Charles Joel  
David Livett  
Kate Lymer  
Russell Mellor  
Alexa Michael  
Peter Morgan  
Terence Nathan  
Keith Onslow  
Tony Owen

Angela Page  
Chris Pierce  
Neil Reddin FCCA  
Catherine Rideout  
Charles Rideout QPM CVO  
Michael Rutherford  
Richard Scoates  
Colin Smith  
Diane Smith  
Teresa Te  
Michael Tickner  
Pauline Tunnicliffe  
Stephen Wells  
Angela Wilkins

The meeting was opened with prayers

In the Chair  
The Mayor  
Councillor Kathy Bance MBE

#### **35 Apologies for absence**

Apologies for absence were reported from Councillors Douglas Auld, David Cartwright, Mary Cooke, Nicky Dykes, Ian F. Payne, Sarah Philipps, Tom Philpott, Melanie Stevens, Tim Stevens and Richard Williams.

**36            Declarations of Interest**

There were no declarations of interest.

**37            To appoint a Leader of the Council for the remainder of the Council year**

In accordance with the Council's constitutional arrangements, consideration was given to the appointment of a Leader of the Council for the remainder of the Council year.

On a motion by Councillor Michael Tickner and seconded by Councillor Simon Fawthrop it was

**RESOLVED that Councillor Colin Smith be elected as Leader of the Council.**

**38            To receive the appointments of the Deputy Leader of the Council and other Members of the Executive from the Leader of the Council**

Councillor Smith confirmed the appointment of Councillor Peter Fortune as Deputy Leader of the Council and Councillor William Huntington-Thresher as Environment Portfolio Holder – all other Portfolio Holders would remain in post.

**39            To receive an address from the Leader of the Council**

Councillor Smith paid tribute to the achievements of Cllr Stephen Carr and thanked him for his service to the borough and its residents as Leader for over thirteen years.

The Meeting ended at 6.45 pm

Mayor

# **LONDON BOROUGH OF BROMLEY**

## **MINUTES**

**of the proceedings of the Meeting of the  
Council of the Borough  
held at 7.00 pm on 25 September 2017**

**Present:**

**The Worshipful the Mayor  
Councillor Kathy Bance MBE**

**The Deputy Mayor  
Councillor Kevin Brooks**

### **Councillors**

Vanessa Allen  
Graham Arthur  
Julian Benington  
Nicholas Bennett J.P.  
Ruth Bennett  
Eric Bosshard  
Kim Botting FRSA  
Katy Boughey  
Lydia Buttinger  
Stephen Carr  
Alan Collins  
Peter Dean  
Ian Dunn  
Judi Ellis  
Robert Evans  
Simon Fawthrop  
Peter Fookes

Peter Fortune  
Hannah Gray  
Ellie Harmer  
Will Harmer  
Samaris Huntington-  
Thresher  
William Huntington-  
Thresher  
David Jefferys  
Charles Joel  
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Colin Smith  
Diane Smith  
Teresa Te  
Michael Tickner  
Pauline Tunnicliffe  
Michael Turner  
Stephen Wells  
Angela Wilkins

The meeting was opened with prayers

In the Chair  
The Mayor  
Councillor Kathy Bance MBE

### **40 Apologies for absence**

Apologies for absence were received from Councillors Douglas Auld, David Cartwright, Mary Cooke, Nicky Dykes, Ian F. Payne, Sarah Philipps, Tom Philpott, Melanie Stevens, Tim Stevens and Richard Williams.

**41            Declarations of Interest**

There were no declarations of interest.

**42            To confirm the Minutes of the meetings of the Council held on  
26th June and 25th July 2017**

**RESOLVED** that the minutes of the meetings held on 26<sup>th</sup> June and 25<sup>th</sup> July 2017 be confirmed.

**43            To consider any changes to Committee and Sub-Committee  
membership as a result of the appointment of the new Leader  
of the Council**

A motion to approve the following changes to committee memberships and to note the proposed changes to Sub-Committee memberships was moved by Councillor Michael Tickner and seconded by Councillor Simon Fawthrop –

Executive and Resources PDS Committee:

Councillor Samaris Huntington-Thresher replaces Councillor William Huntington-Thresher.

Environment PDS Committee:

Councillor Michael Tickner replaces Councillor William Huntington-Thresher  
Councillor Samaris Huntington-Thresher be appointed chairman.  
Councillor Catherine Rideout to be appointed Vice-Chairman.

Development Control Committee:

Councillor Russell Mellor replaces Councillor William Huntington-Thresher

Changes to Sub-Committees to be made by the Executive and Resources PDS Committee, General Purposes and Licensing Committee and Development Control Committee respectively.

Contracts PDS Sub-Committee:

Councillor Stephen Carr to replace Cllr William Huntington-Thresher

Audit Sub-Committee:

Councillor Carr to replace Cllr Peter Fortune

Plans 3 Sub-Committee:

Councillor Russell Mellor to replace Cllr Colin Smith  
Councillor Keith Onslow to replace Cllr Samaris Huntington-Thresher

The motion was **CARRIED**.

**44            Petitions**

No petitions had been received.

**45            Questions from members of the public where notice has been given**

Thirty two questions had been received from members of the public for oral reply. These are set out in Appendix A to these minutes.

Seventeen questions had been received from members of the public for written reply. These are set out in Appendix B to these minutes.

**46            Questions from Members of the Council for oral reply where notice has been given**

Seventeen questions had been received for oral reply from members of the Council. These are set out in Appendix C to these minutes.

**47            Questions from Members of the Council for written reply where notice has been given**

Eleven questions had been received for oral reply from members of the Council. These are set out in Appendix D to these minutes.

**48            To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.**

The Leader of the Council, Councillor Colin Smith, made a statement setting out some of the issues that he intended to address in his new role. As well as looking at the realignment of the six portfolios, some of his priorities were –

- Completing work on improving Children's Services;
- Establishing a new SEN centre of excellence in the borough;
- Reviewing areas of need for future schools;
- Integrating Health and Adults' Services with enhanced support for the Voluntary Sector;
- Housing and services to reduce homelessness;
- Completing the Local Development Plan;
- Regenerating town centres;
- Becoming more self-sufficient in Council finances;
- Transport infrastructure improvements;
- A fairer share of London Policing resources;
- Working even more closely with Friends Groups and Residents Associations on Bromley's environment, and re-launching recycling initiatives.

**49 First Report of the Education Children and Families Select Committee 2017/18**  
Report CSD17115

The Portfolio Holder for Education, Children and Families reported that Jane Bailey, Director of Education, had now left the Council, and on behalf of Members he recorded their thanks for her work and their best wishes for the future.

A motion to approve the recommendations in the first report of the Education, Children and Families Select Committee was moved by Councillor Nicholas Bennett, seconded by Councillor Neil Reddin and **CARRIED**.

**50 Capital Programme: Renovation Grants - Disabled Facilities Programme**  
Report CSD17124

A motion to approve an increase of £1,838k in the Capital Programme for Renovation Grants – Disabled Facilities Programme was moved by Councillor Diane Smith, seconded by Councillor Angela Page and **CARRIED**.

**51 London Business Rate Pilot**  
Report CSD17131

A motion to -

(1) Support the London Business Rates pilot;

(2) Endorse the Leader agreeing the final arrangements at the Leader's Committee of London Councils to implement a scheme substantially in the form proposed; and

(3) Agree that the Leader –

(a) seeks to minimise the collective investment contribution; and

(b) obtains assurances from Government that any additional funding received will not be offset by future corresponding reductions in Government funding.

was moved by Councillor Graham Arthur, seconded by Councillor Colin Smith and **CARRIED**.

**52 To consider Motions of which notice has been given**

The following motion was proposed by Councillor Angela Wilkins and seconded by Councillor Ian Dunn –

“This Council confirms its commitment to the maximum possible levels of openness and transparency.



Council requests a report with recommendations to its next meeting on how this commitment may be better enacted.”

An amended to the motion was moved by Councillor Graham Arthur, seconded by Councillor Pauline Tunnicliffe and **CARRIED** -

“This Council re-confirms its commitment to the maximum possible levels of openness and transparency at all times.

Council requests that a review be undertaken by Officers to be presented to the next meeting of the Constitution Improvement Working Group to establish how and whether this commitment might be better illustrated and publicised.”

The motion as amended was **CARRIED**.

### **53            The Mayor's announcements and communications**

The Mayor thanked Members for their support for the following events –

- The Charity Dinner on 10<sup>th</sup> August 2017 at the Lugana Restaurant in Beckenham.
- The Musical Evening on 2<sup>nd</sup> September 2017 at Melvin Hall

The Mayor invited Members to the next two events –

- A quiz and Karaoke evening on Saturday 28<sup>th</sup> October at Melvin Hall
- A Dinner Dance on Saturday 18<sup>th</sup> November in the Great Hall.

The Meeting ended at 9.16 pm

Mayor

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**COUNCIL MEETING**

**25<sup>th</sup> SEPTEMBER 2017**

**QUESTIONS FROM MEMBERS OF THE PUBLIC FOR ORAL REPLY**

**1. From Sam Russell to the Leader of the Council**

At the next meeting of the Executive, a decision is due to be taken regarding the future of Community Vision and Blenheim Nurseries. As the decision could involve the cessation of a directly council operated service, would the Leader consider referring the decision to a meeting of the Full Council?

**Reply:**

I would respectfully suggest that we should both wait and listen to the Portfolio Holder for Education, Children and Families' answers which follow on related matters, prior to making potentially premature *what if* suppositions.

**Supplementary Question:**

Blenheim and Community Vision stand out as fantastic beacons of good practice in this borough with fantastic employees as well. Would the Leader, if we are not going to come to full Council for this decision, be able to ensure that the Executive are able to consider, as an option, the retention of existing services, in their existing state, at the Executive meeting when the decision is due to be taken on 18<sup>th</sup> October.

**Reply**

I can really add nothing – all will become much clearer when you hear what is actually happening from the Portfolio Holder for Education, Children and Families.

**2. From Rhian Kanat to the Portfolio Holder for Education, Children and Families**

Recent LGA figures indicate a shortfall of 2,631 secondary school places in Bromley by 2022. How long has the Council been aware of a shortage of secondary school places in the Borough, and what actions have the Council taken and what are the Council's plans to address this shortage?

**Reply:**

The Council uses the GLA School Roll Projections as the primary means of planning for the future provision of school places. The most recent data provided by the GLA in 2017 projects that the borough's secondary school population will grow by 2,741 between 2016 and 2022. The need for Year 7 places over the same period is projected to increase from 3,563 to 4,169. The baseline number of Year 7 places available in 2016 was 3,567 indicating a need for at least for 20 additional forms of entry by 2022. Bromley's own model based on pupils progressing through Bromley primary schools and consideration of historic net migration suggests that an additional 22 forms of entry in secondary schools will be needed by 2021.

The local authority has been planning for the growth in secondary school places since late 2013 when a paper "Planning for Growth: Review of Secondary Education" was considered by the Council's School Places Working Group and Education Policy Development and Scrutiny Committee. This formed the basis of the Council's

Secondary School Development Plan which is reviewed and updated on an annual basis.

This strategy initially focussed on increasing capacity through both the expansion of the existing secondary estate and supporting the opening of new schools. As the Government's Free School programme developed and more education providers were successful in having Free schools approved in Bromley, the strategy has shifted further towards the provision of new Free Schools, recognising in part that the approval and opening of Free Schools has a direct impact on the level of Basic Need Capital Grant provided by the Department for Education to enable the Council to expand existing Bromley secondary schools.

As you know, the Council does not build schools – we are simply the planning authority, and I am aware that there are colleagues in the Chamber who have differing views on what we can do and where we should open these schools. The challenge is going to be ensuring that we all work together recognising that where there is a need it is met and it is met in the correct place.

**Supplementary Question:**

Do you consider that the number of sites in the Local Plan is adequate?

**Reply**

The sites that are identified in the Local Plan do set out where we believe that there could be local education provision. It is up to the individual trusts, free schools and academies to put forward their plans for the schools.

**3. From Stephen Evans to the Portfolio Holder for Renewal and Recreation**

The post-redevelopment pavements on Beckenham High Street have been taken by restaurants for tables, chairs, plants, boxes and A-boards in an unregulated manner and are now, in such instances, narrower than pre-redevelopment. They present obstructions for the sight-impaired, disabled, those with walking-aids or prams. Who polices the restaurants' behaviour?

**Reply:**

All tables and chairs placed on any public highway are subject to licence under Street Trading legislation, those licences are enforced by the Street Trading Licencing Officer. Other obstructions such as plants, boxes, A-Boards and so on fall under Highways Obstruction and will be looked at by the Highways Enforcement Team.

**Supplementary Question:**

On the way here, I had to move a table and a chair off the pavement. For whom are the pavements provided?

**Reply**

The pavements are provided for pedestrians and that will always be the case. Clearly, if the pavements are wide enough, sometimes they can be enhanced by having the life of a restaurant table that is fine. But if they are causing an obstruction, preventing people from walking that is not acceptable. I will be asking the enforcement officers to go down and have a really close look.

#### 4. From Julie Ireland to the Portfolio Holder for Education, Children and Families

The Council's auditors have presented their audit report for 2016/17 with a qualified conclusion. One reason was the failure of the Council's Children's Services Department to make the improvements requested by Ofsted following the Inadequate rating the department received. Would the Portfolio Holder please list the areas in which those improvements had not been made within the time frame of the auditors' report and state whether those improvements are now in place?

##### **Reply:**

Following Ofsted's inspection of the service in April 2016, the service was judged to be inadequate in all areas. Local Authorities judged as 'inadequate' by Ofsted are subject to further monitoring and inspection activity. Ofsted require local authorities to produce an action plan within 70 days of receipt of the inspection report.

From April 2016 to September 2016 work was carried out by the service in consultation with partners to draft an improvement plan that covered Ofsted's 23 recommendations. The Children's Services Improvement Plan was submitted to Ofsted in September 2016. The plan has identified 10 priority areas with 306 actions. The 10 priorities are:

Priority 1	Leadership and Governance
Priority 2	Management Oversight and Quality Assurance
Priority 3	Bromley Safeguarding Children Board
Priority 4	Safeguarding
Priority 5	Children Looked After
Priority 6	Care Leavers
Priority 7	Adoption Services
Priority 8	Tackling child sexual exploitation, children missing and gangs
Priority 9	Strategic Commissioning
Priority 10	Legal Services

Ofsted carry out quarterly follow up visits to review progress being made against the plan. So far, Ofsted have carried out two monitoring visits in the 2016/2017 financial year. The 1<sup>st</sup> visit was carried out on 8 and 9 November 2016 and the 2<sup>nd</sup> visit on 22 and 23 February 2017. In their feedback from the first monitoring visit, inspectors said that services were making limited progress in improving services.

There was considerable structural change at the beginning of 2017 with both myself bringing in Children's Services to my Education Portfolio and the recruitment of the Deputy Chief Executive and Executive Director of Education, Care and Health Services. This recruitment has made a significant impact on the direction of travel. We were quick to introduce a number of key changes including; a restructure of the service to increase management capacity, launching service wide practice standards and a caseload promise. There has also been a significant drive to recruit quality, skilled and experienced practitioners, which has included a new permanent senior management team. Ofsted have recognised the impact of these changes in feedback to the service for the second and all subsequent monitoring visits. Feedback letters from all visits can be found on Ofsted's website <https://reports.ofsted.gov.uk/local-authorities/bromley>.

(The Mayor asked the Portfolio Holder to be brief; the questioner asked the Portfolio Holder to respond in particular to the last phrase in her question – whether the improvements were now in place?)

Yes, we are making improvements to the service that can be followed through in the Ofsted reports and we are following the Plan. If you look at the recent Ofsted review we were praised for some of our services, saying that we were “good” in many areas. If you look at the fundamentally good news of the DfE Commissioner Frankie Solke saying that Bromley can retain its Children’s Services which is nearly unprecedented across the local authority landscape I think it is a really strong recommendation of the fact that Bromley has grasped the problem and is really committed to making our journey to excellence complete.

**Supplementary Question:**

Given that you are confident that all these improvements are in place, can you explain why the Department for Education said only two weeks ago that Bromley was still failing its vulnerable children?

**Reply**

If you read the review in full it talks about the changes that Bromley has put in place, how Bromley has driven them through with pace and at the fact that we are the first authority to retain our Children’s Services. Unprecedented when it comes to local authorities. Our Ofsted review that we received last year will remain in place until we have a thorough Ofsted review. If you read the report in full, some of this is as a result of some appalling press coverage. It is a shame to see in the local media that the comments section is bubbling up into the actual article. I am reminded of Orwell talking about it being like the rattling of a stick in a swill bucket. The truth of the matter is that Frankie Solke, the DfE Commissioner, gave the services back to Bromley. The most recent Ofsted review talks about good practice and I am very proud of what we and the staff have achieved in this borough.

**5. From Dr Brian Philp to the Portfolio Holder for Renewal and Recreation**

With Bromley’s sad history of heritage destruction, as at The Rookery, High Elms Mansion, the attempt to destroy the Priory/Outbuildings and the closure of its only museum in 2016, does our Council agree that the totally unnecessary demolition of the listed Vestry, an integral part of the Battle of Britain Chapel, will be another nail in the coffin of Bromley’s heritage?

**Reply:**

The question is a little devious in that it tends to suggest that we are personally responsible for the destruction of The Rookery and High Elms Mansion. In fact, the Rookery was burnt down in 1948 before the London Borough of Bromley existed. High Elms was destroyed by fire in 1967, and in fact a project was undertaken by the authority in 2010 to record the site’s heritage. The Priory outbuildings are still standing and used by local business. The Museum was moved to Bromley Central Library and £395,000 was invested in its improvement, including three new exhibition spaces, and its merger with Local Studies.

As you are aware the Council makes many other contributions to the protection of the borough’s heritage, including providing annual funding to Crofton Roman Villa which you manage.

The removal of the 1990 annex to the Chapel, which is not a public space and is used primarily for storage, has been informed by heritage conservation experts. Its removal will return the historic Chapel to its original design.

**Supplementary Question:**

Does our Council understand that but for my direct personal intervention, the Crofton Roman Villa, Bromley's major archaeological education asset, very busy this week, would have been totally destroyed for the Civic Hall car park. Similarly, the unnecessary destruction of the Battle of Britain vestry, used as a vestry, can easily be avoided, given mutual good will.

**Reply**

I do understand.

(Note: It was subsequently clarified that The Rookery referred to by Dr Philp was the building in St Mary Cray, not the building in Bromley Common of the same name.)

(At this point the time allowed for questions expired, but the Mayor allowed Question Time to continue so that the key issues raised in questions 6 and 7 could be dealt with.)

**6. From Ms Anna Brett to the Portfolio Holder for Education, Children and Families**

Regarding the proposed closure of Community Vision Nursery in Penge, please can you explain how the combined loss of £348,000.00 has been arrived at for the two nurseries facing closure? This figure was stated in a letter to parents dated 28/06/17. Our FOI applications for this information are overdue.

**Reply:**

The implication in the question is that closure is an inevitability - that is not the case. I have addressed this point with the MPs for Lewisham West and Penge and Croydon North. Closure was stated in the letter as one of three options that were under consideration for the nurseries. The point is that this was consideration. We went out to a consultation to get a better idea of what the landscape was – this was expressed to Labour colleagues. The consultation was designed for us to achieve a better understanding of how the nurseries operate, if they were reaching and serving the right people and to ensure that those in the community who are most in need of the support were receiving it. I did become aware that there was a narrative starting up around the pre-determined idea that there was a closure of a nursery. That digital manipulation of the facts is something that we need to be wary of in the future. We undertook the consultation, we listened to feedback, we analysed the data and we have concluded that the best option on the table was to continue with that nursery provision. There will be some implementation of necessary changes that will make the service viable, which was one of the three possible options identified at the start of the process, but the nurseries will remain open and we will be in discussions about the best way to move that forward.

**Supplementary Question:**

That is fantastic news. To make our nursery more financially viable, since 2013 our nursery has made the borough nearly three quarters of a million pounds, so how can we reconcile that against the claim the nursery is making a loss?

**Reply**

I assume that you are talking about Community Vision. I am happy to go into further detail, perhaps outside or in writing. There is a long-term issue of Children's Services buying places at the nurseries that we did not necessarily require, which meant that there was a surplus of cash going in, which meant that the funding was balancing off places for people that did not necessarily need them. The point of the consultation was to get in and find all this so we are determined to make sure that we get the best services for people but that the money that is set aside for helping those people that need extra assistance gets to them.

**Additional Supplementary question:**

Councillor Angela Wilkins asked the Portfolio Holder to confirm that the good news that he had announced applied to both nurseries.

**Reply:**

Absolutely, yes. We found some real differences in use between Blenheim and Community Vision – showing how vital it was to get out there and get a proper idea of what the services is. I am happy to share all of this in more detail.

**7. From Ian Catchpole to the Portfolio Holder for Education, Children and Families**

Before the recent publicity, was the Council aware of St. Olave's Grammar School's policy on withdrawing places to children entering year 13, if so when did they become aware, did they agree with the school's policy, and what contact has the Council had following the recent publicity in the media?"

**Reply:**

I am informed that the Local Authority was made aware of this by a group of teachers on 18 July 2017 following their letter to the Chair of Governors asking the school to re-consider its position on the policy. In addition, the local authority received four letters from concerned parents on the 25<sup>th</sup> and 26<sup>th</sup> of July in respect of this. A formal letter was sent by the Education Director on 26 July to the Head Teacher asking him to explain his position and also putting across the views of concerned parents and staff.

The Local Authority is clear that the policy of the school was wrong and validated its views by seeking Counsel's opinion on the matter. The local authority discussed its position with the Department for Education, Ofsted and Diocese and was instrumental in the U turn decision made by the school. We did not have these conversations out in the media, we had them as partners.

We have been very concerned about this issue. We have worked behind the scenes with partners to resolve this matter.

The question also gives me an opportunity to answer a few more points.

The local authority asserts that the initial decision was flawed, and it was wrong for the school to throw out some sixth formers. This was also the view of the Counsel who looked into this on behalf of the local authority. The oversight of maintained



schools is laid out in legislation. The law is much clearer in respect of failing schools, and less so in terms of high performing schools and St Olave's is a high performing school. Oversight is maintained by the local authority, reviewing attainment results of children attending school, reviewing fixed term and permanent exclusions and addressing any safeguarding issues. Safeguarding was an area that we looked at but with two recent reports there were no safeguarding issues raised by either of those two scrutiny bodies.

The local authority also plays an active role in supporting and challenging schools judged as not performing well by Ofsted, but as I said the school is performing well.

Regarding the appointment of a governor, as a local authority we have the right to nominate a governor, rather than appoint, and we have done that. We do not have the legal mandate to compel the school to accept the nomination. We have formally nominated an individual, and recent information tells me that this individual has been rejected. We are seeking further information as to why that individual was rejected, as I can see no professional reason for that being the case. We have formally asked the new chairman of the governing body to consider this (and you will know that there is a new chairman and deputy chairman.) I have been in contact with the new chairman today, there has been an expression of eagerness to work very closely with the local authority, and it is paramount for the local authority to await the response from the chairman a decision is reached on this matter. At the beginning of this meeting the Director of Education, Children and Families provided more confirmation from Counsel that the opinion is that we have no scope for the local authority to interfere or to issue a warning notice.

There are a couple of questions about the Headmaster's pay. That is an issue for the governing body as the employer, not the local authority. We have been asked if we had any information about the companies that the school has set up. The Council gave St Olave's no permission to set these companies up and we are presently establishing whether the companies would require the consent of the local authority.

Over a couple of very busy weeks we have worked very hard to make sure that we are fulfilling all of our duties, and especially with our primary care about safeguarding. The two independent scrutiny bodies have found no safeguarding issues and there really are no doors for us to go through.

I have also been made aware that there are considerable elements of support for the school, and the school is rather worried about its reputation. It is a good school – if it was not a good school then people would not want to send their children there. I am fully convinced that when it gets to the application process for this year it will once again be oversubscribed. The local authority is committed to working with the good school, pulling the levers we can, using the influence that we have, albeit soft, to make sure that we get to the position where parents, the school and pupils are best served by a school in this borough.

**Supplementary Question:**

Given the disregard for several regulations and lack of proper governance, will the Portfolio Holder undertake to review the Education Inspections Act 2006 section 61e which states that a maintained school is eligible for intervention if there has been a serious breakdown in the way that the school has been managed or governed.

**Reply**

As live and fresh as just before this meeting, we have further Counsel opinion to say that we have no method or vehicle of intervention and no lever to pull. We will use what soft influence that we have to make sure that we get the school to the position which it should rightly have as one of the jewels of education landscape in this borough.

**Additional supplementary question:**

Councillor Simon Fawthrop asked what actions were available to the Council if St Olave's continued to reject the Council's nominations for governor.

**Reply:**

One would hope that in the spirit of co-working they would accept the nomination of a local authority governor, especially as we would go to all good care and attention to ensure that the person we send over is appropriate. They are not forced to accept our nomination, however, I think it would get to a point where unreasonable rejection could give us concern to escalate up to another level.

**Additional supplementary question:**

Councillor Kim Botting asked the Portfolio Holder why a school like St Olave's is described as causing concern or having weak governors or management given the outstanding Ofsted and SIAMS reports and the unrivalled public exam results this year. Public confidence was demonstrated by the record 1300 pupils sitting the entrance test last Friday and a record 241 students joining year 12. Parents choose the school because of the way it is and has always been and the Mayor of the London and the Woollard Group have awarded grants to St Olave's as a hub to lead other schools. As a local councillor for Orpington I attended their prize-giving ceremony.

Why is it causing so much concern? We should be supporting the school and celebrating its successes.

**Reply:**

I can certainly empathise with why people have concern, especially if the transition from year one to year two of A levels is broken. When the local authority, Department for Education and others went to look at the legal construct for that it was found that it was illegal practice. Hence, the school has u-turned, and we took an important part in that.

You raise an important point, which is around the Ofsted review, the SIAMS review about safeguarding and the results. If you think back to my argument previously to the three issues that we as a local authority we could go in and do something about, all of those three issues have been positively reported on by independent bodies, so there is no route for us to go in using one of those issues as an area of concern. I can empathise with parents and pupils who have their education broken like that, but I do recognise that it is a very popular school, it will probably be oversubscribed again and I can understand why people would want to continue their education at St Olave's.

**Additional supplementary question:**

Councillor Robert Evans remarked that there had been numerous valid questions, but some were unsubstantiated and too personal. He asked the Portfolio Holder if he welcomed the note from the current Chairman of Governors, and if he would applaud the stellar achievements of this outstanding school.

**Reply:**

As I mentioned earlier, I had some correspondence with Dr Paul Wright, the newly appointed Chairman of Governors, and he did set out a long briefing paper which I have not read yet. The main point I take from that correspondence is that he is very keen to establish good working relations with the local authority and I am very keen to do that as well.

Regarding the second point applauding the achievements of an outstanding school, it is without question that many children have done incredibly well at St Olave's.

(At this point the time allowed for questions ran out and written answers were sent for the following questions.)

**8. From Dr Josh King to the Portfolio Holder for Education, Children and Families**

What is the Council's position on the initial decision taken by St Olave's School to throw out some 6<sup>th</sup> formers half way through their A level studies?

**Reply:**

The Local Authority asserts that the initial decision was flawed and it was wrong for the school to throw out some 6<sup>th</sup> formers. This was also the view of the Counsel who looked into this on behalf of the Local Authority.

**9. From Louise Selvadurai to the Portfolio Holder for Education, Children and Families**

Please could Council members explain what oversight the Council has of Saint Olave's grammar school in Orpington?

**Reply:**

The oversight of maintained schools is laid out in legislation. The law is much clearer in respect of failing schools and less so for a high performing school. Oversight is maintained by the Local Authority reviewing attainments results of children attending the school, reviewing of fixed term and permanent exclusion and addressing any safeguarding issues. The Local Authority also plays an active role in supporting and challenging schools judged as not performing well by Ofsted.

**10. From Rita Radford to the Leader of the Council**

Can the newly appointed Leader of the Council assure the residents of the London Borough of Bromley that he/she will ensure that their concerns about local matters are given due weight?

**Reply:**

Yes I can.

**11. From David Evans to the Leader of the Council**

In the light of the public's overwhelming condemnation of the Biggin Hill Memorial Museum design is the new Leader of the Council prepared to admit that this is, to

quote Cambridge Professor of Architecture Gavin Stamp, 'a bad divisive scheme and it would be a scandal if it goes ahead?

**Reply:**

No I certainly wouldn't and would remind Mr Evans that the Heritage Lottery Fund described the scheme as being "exemplary" and the design was developed with advice from Historic England [previously known as English Heritage].

That said, I do readily accept that aesthetics are a matter of subjective personal opinion.

**12. From Tia Fisher**

I would like to know why, despite the fact that St Olave's is an LEA-controlled school, Bromley Council does not respond to the complaints from parents and staff over a number of years, and has regarded the Year 12 exclusions for a grade C or below as 'legal' when the DfE rules that they are not?

**Reply:**

As indicated earlier, the Local Authority does not consider the policy as legal. The Local Authority has responded to complaints from teaching staff and from parents as indicated above. Please do let me know if any complaints remain outstanding.

**13. From Michael Thatcher to the Leader of the Council**

Is it morally defensible for one of the richest boroughs in the country to use Lottery funds to build the Biggin Hill museum, replacing their own legally allocated funds, held in escrow for many years, thus denying other deserving charities of assistance?

**Reply:**

Yes it is, very much so, given the significant monies contributed to the Lottery over many years by Bromley residents set against the outrageously unfair and totally inadequate revenue funding which Bromley residents receive from Central Government per capita compared to other, less efficient and over bloated mainly Inner London Boroughs.

The chart ([Appendix 1](#)) which is placed before you this evening and which will be appended to this evening's minutes illustrates this graphically.

Additionally it should be noted that the Heritage Lottery Fund has previously actively encouraged Bromley to submit applications and historically we have been a priority borough for funding.

**14. From Sarah McAleer to the Portfolio Holder for Education, Children and Families**

In view of the unlawful exclusion of St Olave's students between Years 12 and 13 (limiting students' options and manipulating school results),

- a) why has the local authority not nominated its own governor to provide the skills, support and challenge necessary to an effective governing body?
- b) will the local authority investigate the current governance of the school, particularly with a focus on its accountability and transparency?

**Reply:**

- a) The Local Authority has in fact nominated its own governor. However, the Local Authority does not have the legal mandate to compel the school to accept its nomination as indicated earlier.
- b) As indicated earlier, the Local Authority has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the Local Authority to await the response from the Chairman before a decision is reached on this matter.

**15. From Julian Grainger to the Chairman of the Education, Children & Families Select Committee**

*Noting that:*

- i) The unlawful grade-exclusion policy at St Olave's has operated since 2011 despite annual challenge, seriously disrupting the lives of around 60 young people and their families.*
- ii) The practice of barring students from sitting A-levels to manipulate league tables limits future options for students.*
- iii) Staff and students have reported behaviour that some might consider "threatening."*
- iv) The unprecedented number of forum and email comments from parents and students, recent and current, attesting to a culture described as "toxic" and "uncaring."*
- iv) St Olave's has a history of ignoring regulations.*
- vi) A school with excellent students and teachers deserves a leadership that does not undermine its academic reputation by a combination of league table manipulation and supine governance.*

Would the Chairman agree: a) that an immediate investigation into the above and related matters is more than justified, b) that if governance of the school is found wanting, an Interim Executive Board could be appointed?

**Reply:**

- a) As indicated earlier, the Local Authority has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the Local Authority to await the response from the Chairman before a decision is reached on this matter. The Education Select Committee does not have the mandate to intervene in this.
- b) The Local Authority asserts that the grounds for an Interim Executive Board are not met as this is mainly used in respect of schools that are failing.

**16. From Tony Wright-Jones to the Chairman of the Education, Children and Families Select Committee**

*St Olave's has a growing list of deficiencies in leadership and governance such as:*

- a) Staff, Parent and Student complaints and concerns being ignored.*
- b) Rigging by the Head Master in the democratic election of a Chairman.*

*c) A history of Numerous regulations and statutory guidelines ignored.*

Would the Chairman agree the leadership appears autocratic and appropriate governance significantly lacking, and that;

- a) a proper investigation undertaken immediately;
- b) to include a School and Governance Review; and
- c) an Interim Executive Board is an option

- to protect students and teachers from harm.

**Reply:**

(a) As indicated earlier, the Local Authority has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the Local Authority to await the response from the Chairman before a decision is reached on this matter.

(b) The Education Select Committee does not have the mandate to intervene in this by conducting a school and governance review

(c) The Local Authority asserts that the grounds for an Interim Executive Board are not met as this is mainly used in respect of schools that are failing. The Counsel's opinion supports this.

**17. From Sam Russell to the Portfolio Holder for Education, Children and Families**

A decision about the future of Community Vision and Blenheim Nurseries is due to be taken at the Executive Meeting on 18<sup>th</sup> October. Could the Portfolio Holder summarise the opportunities for scrutiny related to this decision that will have taken place prior to this meeting?

**Reply:**

As the service will continue at both nurseries a report will no longer be going before the Executive Committee in October.

**18. From Rhian Kanat to the Portfolio Holder for Education, Children and Families**

Please could the Council provide a breakdown of the shortfall of secondary school places by gender in different parts of the Borough?

**Reply:**

The local authority does not hold data in this format.

The primary source of projection data is the GLA School Roll Projections which for the secondary sector is provided at a borough wide level. This includes details of the projected school population broken down by gender. However, projecting the shortage of place for either boys or girls is not possible as approximately 49% of places across the borough are in schools where gender is not an admissions criterion.

However, the local authority monitors the secondary school gender balance at a borough-wide level. Based on Year 7 PANs currently 29% of school places are in girl's school and 22% in boy's schools. It is noted that there has been a reduction in

places in boy's schools due to Harris Beckenham becoming co-educational and Kernnal reducing its published admission number (PAN).

**19. From Stephen & Diana Evans to the Portfolio Holder for Renewal and Recreation**

What provision has been made in the redevelopment of Beckenham High Street for the parking and/or secure parking of bicycles?

**Reply:**

One of the key scheme objectives of the Beckenham improvements works is to improve the quantity and quality of the cycling infrastructure in Beckenham town centre. The current scheme design will see an increase in the number of individual cycle stands from 6 (six) to 30 (thirty). It is proposed that the new cycle stands will be sited along the length of the High Street at appropriate locations that offer good passive security coverage and serve individual parades of shops. In addition it is proposed to install 2 "Dr Bike" cycle pumps and repair units at Beckenham Junction Station and Sainsbury forecourts. Key cycle stand locations will include outside Marks and Spencer, Kelsey House, Beckenham Green, Beckenham Junction and Sainsbury's.

**20. From Julie Ireland to the Portfolio Holder for Resources**

How many apprenticeships has the Council offered since 2014 and what is the current employment status of the people who took up those apprenticeships?

**Reply:**

Since 2014 there have been 7 apprenticeship posts within the Council and Community and Voluntary Controlled schools. Of these 7 posts 2 have continued to be employed within the Council. Additionally, the Council fully funded the Bromley Employment Scheme (The YES Programme) at circa £500k over a two year period, aimed at providing community based apprenticeship and work experience opportunities. Under the YES programme a total of -----apprentices were recruited into public, private and voluntary sector organisations mainly in the borough.

In response to the new Apprenticeship Levy which came into force on the 6<sup>th</sup> April 2017 and as part of the Government's Vision for 2020 to increase the number and quality of apprenticeship opportunities, the Council has developed a hybrid model scheme which provides for;

- a number of permanent dedicated apprenticeship roles within Departments using existing vacancies
- a pool of apprentices who will be trained in basic administration and business skills and who would then be available to be utilised across the Council for relevant posts graded at circa £18k as an alternative to using agency staff where this need was identified.

In addition to the mandatory levy which in our case is £350k (0.5% of pay bill), the Council has also provided a one off £200k totalling £550k to support the programme. The Council's target under the Apprenticeship Levy is 34. Following a successful open recruitment day for potential apprentices, parents and guardians, and school representatives 10 recruits are being processed for suitable placement of which 5

have already been placed or matched to suitable roles in the organisation. HR is working with managers to match the other 5 recruits, and further selection interviews will be taking place shortly to recruit more apprentices. Managers and services with recruitment and retention challenges including children and adult care, environment health and planning services to mention a few are working with HR to develop a 'Grow your Own Scheme' using the apprenticeship route. There is strong leadership both at the political and the Chief Executive levels for the Council's apprenticeship programme.

The proposal benefits both the Council by utilising funding made available through the digital portal and the Local Community as the Scheme is only be available to Bromley Residents and offers real opportunities for future employment and acquisition of skills.

**21. From Dr Brian Philp to the Portfolio Holder for Renewal and Recreation**

In January, 2015 the Prime Minister stated "we will protect the chapel and do all we can to protect and preserve it for future generations." £2M of Libor money was then allocated for the purpose. With the intended demolition of the listed Vestry, an integral part of the Chapel, which part of "protect and preserve" does the Council and its two advisers not understand?

**Reply:**

The project has been developed specifically to protect and preserve the Chapel and Biggin Hill's wartime heritage, and the Council fully understands these words. The vestry is not an integral part of the Chapel, it is a storage annex built in 1990.

**22. From Anna Brett to the Portfolio Holder for Education, Children and Families**

FOI application 13384 MOSELEY shows Community Vision Nursery made a profit for 3 years before 2016/2017 when it made a £16,073.00 loss. This is due to a £85,840.00 drop in CSC recharge, 68% less than forecast and 67% less than 2015/2016 actuals. Please explain why this reduction has occurred?

**Reply:**

The nurseries for several years have received an annual recharge from Children's Social Care to support referrals to the nurseries for children formally assessed as being in need. It has been established that the actual cost is substantially below the amount received. It is not appropriate that social care funding, intended to support eligible children in need, continues to be used to subsidise the cost of places for both fee paying and Free Early Years funded children where there is no such evidence of need. The recharge from Social Care has been reduced accordingly.

**23. From Louise Selvadurai to the Portfolio Holder for Education, Children and Families**

Please could Council members confirm when a representative of the LEA will be confirmed as a governor of Saint Olave's Grammar school in Orpington?

**Reply:**

As indicated earlier, nominations were put to the Governing Body by the Local Authority. We are awaiting the outcome of the latest nomination.



**24 From Rita Radford to the Leader of the Council**

Will the newly appointed Leader strive to ensure the reputation of London Borough of Bromley Council is beyond reproach?

**Reply:**

I am very happy to confirm that I will strive to ensure the reputation of the London Borough of Bromley continues to remain beyond reproach at all times.

**25. From David Evans to the Leader of the Council**

Does the Leader agree with me that the St George's Royal Air Force Chapel of Remembrance is a most sensitive site with regard to its development?

**Reply:**

Yes I do, very much so.

**26. From Tia Fisher to the Portfolio Holder for Education, Children and Families**

When will there be representation from the LEA on the St Olave's Board of Governors?

**Reply:**

As soon as the Governing Body decide at their next Board meeting in October 2017.

**27. From Sarah McAleer to the Portfolio Holder for Education, Children and Families**

Can the Portfolio Holder please tell me the date(s) on which the Council gave permission for any such St Olave's company/companies to be set up?

**Reply:**

The Council did not give St Olave's the permission or mandate to set up these companies. The Council is presently establishing whether the company is one for which consent would be required.

**28. From Sam Russell to the Portfolio Holder for Education, Children and Families**

In report CS14073, section 3.10, it is stated that additional nurseries in Penge "do not have sufficient capacity to accommodate the volumes currently accessing Community Vision Nursery." Would this, in the Portfolio Holder's opinion, be evidence that no other provider is willing to provide childcare?

**Reply:**

The report referred to sets out the position as it was in 2014 and the childcare landscape in the Penge area has changed since then. Recent research undertaken by officers has shown that the Penge and Cator Ward (which Community Vision is located in) has the second highest number of childcare places of all the Borough Wards. There are currently 7 day nurseries, 2 of these are awaiting their first graded inspection and the others are all graded Good. A further 7 preschools provide a mixture of sessional and extended childcare. 2 are graded Outstanding and 4 are Good. There are also 24 childminders within the ward, many of whom are now offering the Funded Childcare places.

In addition, the Early Years Quality team are currently supporting a proposed new setting in the ward and a local primary school have indicated they would like to open a nursery in September 2018. These will provide additional capacity in the area.

Although some of the settings are full with waiting lists there are vacancies across the Ward with a large number at the new provision which is a 6 minute walk from Community Vision.

Our Sufficiency assessment, carried out in August 2017 demonstrates that there is sufficient capacity to meet the childcare demand in the Ward and in the neighbouring wards of Clock House, Crystal Palace and Copers Cope. This includes the predicted demand for the newly introduced 30 hours extended entitlement.

**29. From Anna Brett to the Portfolio Holder for Education, Children and Families**

Has anyone body responsible for making the decision to close Community Vision actually visited the nursery? If not, are there plans for this visit to happen before the Executive Meeting on 18th October?

**Reply:**

As the service will now continue members of the Executive will not now be making a decision regarding the future of the nursery on 18<sup>th</sup> October.

**30. From Louise Selvadurai to the Portfolio Holder for Education, Children and Families**

Please could council members explain what action the council and the borough's Department for Education Services is taking after Saint Olave's Grammar school's policy of removing pupils from the school based on academic achievement at the end of Year 12 was deemed to be unlawful by the Department for Education?

**Reply:**

As indicated earlier, the Local Authority has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the Local Authority to await the response from the Chairman before a decision is reached on this matter.

**31. From David Evans to the Leader of the Council**

When the London Borough of Bromley agreed to take on the RAF Chapel did they realise that they did so on behalf of the nation?

**Reply:**

Yes, Bromley Council did. I strongly believe that the Council was right to do so as well, despite the financially straightened times we are living through, as that single action prevented the building from being mothballed by the MOD.

Since it did so, the Council has invested significant officer resource developing the project which recently gained approval, the future success of which will safeguard the Chapel moving to the future.

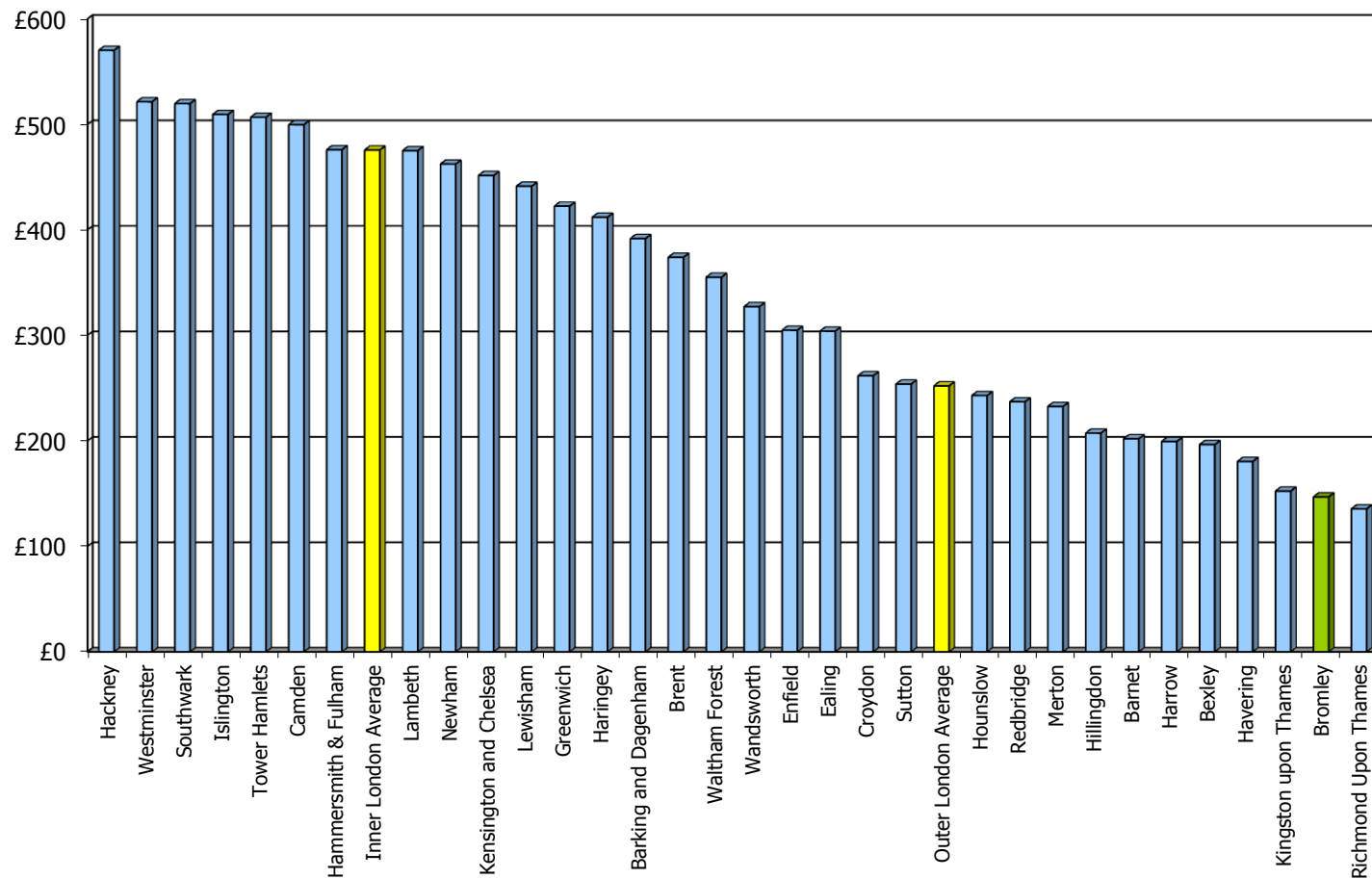
**32. From Tia Fisher to the Portfolio Holder for Education, Children and Families**

How can teachers and parents of students at St Olave's pursue an investigation into the governing body and senior management of the school in order to expose and correct the lack of pastoral care, lack of whistle-blowing policy, and the authoritarian nature of the regime imposed by the headmaster and Senior Leadership Team, who do not listen to concerns from staff, parents and students?

**Reply:**

Firstly, by raising these concerns with the Governing Body who are responsible for the running of the school and if not satisfied, by raising it directly with the Diocese and the Local Authority. Complaints can also be made directly to the DfE and also to Ofsted as regulators.

**Whole of London Funding per Head 2017/18  
(including Transition Grant)**



**COUNCIL MEETING**

**25<sup>th</sup> SEPTEMBER 2017**

**QUESTIONS FROM MEMBERS OF THE PUBLIC  
FOR WRITTEN REPLY**

**1. From Colin Willetts to the Portfolio Holder for the Environment**

Could the Portfolio Holder (i) tell us if the W4F site has been cleared? (ii) if not, when will it be cleared? (iii) following clearance has LBB any plans to enhance the sites appearance?

**Reply:**

- (i) The site has not been cleared.
- (ii) It will be cleared in about 2 months
- (iii) There are no firm plans for the site's future at this time

**2. From Colin Willetts to the Portfolio Holder for the Environment**

Having reported (12/3/17) a dropped kerb trip hazard in Kelsey Road junction Pleasance Road due to a poor reinstatement (light concrete skim broken around manhole cover) by B T, would the Council chase them up to reinstate to a good standard on par with the dropped kerb on the opposite side of this junction?

**Reply:**

The site will be inspected by LBB officers and the utility company will be instructed to complete any necessary remedial works.

**3. From Rhian Kanat to the Chairman of Development Control Committee**

Please provide details of how much affordable housing has been built in the Borough in each of the past 4 years broken down by ward and how much affordable housing is planned to be built in the Borough by ward on the next 4 years.

**Reply:**

The response is shown on the attached spreadsheet. ([Appendix 1](#))

**4. From Sam Webber to the Portfolio Holder for Care Services**

What is the current waiting time for social care placement or packages for residents who are ready to be discharged from hospital but cannot be due to lack of social care capacity?

**Reply:**

I am advised that at the time this question was received there were no delays due to lack of social care capacity. ([Appendix 2](#))

**5. From Sam Webber to the Portfolio Holder for the Environment**

What was the impact on infrastructure, buildings and the local economy following the Thames Water leak along Bromley Common in July? Has the Council updated its response procedures following this incident?

**Reply:**

This was an incident on TfL road caused by a major utility and whilst it did cause significant disruption the wider impact cannot be quantified.

The Council's emergency response plans are continually reviewed and updated, particularly after significant incidents.

**6. From Sam Webber to the Portfolio Holder for the Environment**

Can the Council review the lack of bins within 10 minutes' walk of town centres? This lack of bins causes extra litter which is dropped on pavements or in gutters. Noting this, could a bin (preferably split with half recycling and half litter) be installed close to the bus stop on Westmoreland Road (close to the corner of New Farm Avenue) where there is a large amount of litter?

**Reply:**

The Council is continuously reviewing the provision of litter bins across the borough and takes appropriate action with regard to the installation or removal of bins on a case by case basis. The location referred to will be reviewed as to whether a bin is required or not and appropriate action taken.

**7. From Ms E Sini to the Portfolio Holder for Education, Children and Families**

If, as we have seen reported, Bromley wrote to the school 5 years ago to inform the headmaster/governing body that its approach to progression to year 13 was illegal, what subsequent action was taken by Bromley to ensure that the school would desist from such practices?

**Reply:**

The view is that the school was informed. I have not seen any evidence to support this.

**8. From Ms E Sini to the Portfolio Holder for Education, Children and Families**

When will a complete investigation into the School's governance be completed and published to include:

- the lack of correct governor representation from parents and Council members over many years;
- the changes of criteria to year 12 entry, when a less than well publicised "consultation" resulted, we understand, in 1 anonymous response being received and being deemed sufficient to move ahead with proposed changes (despite petitions for reconsideration to be made);

- the headmaster feeling that he can summarily dismiss existing PA members with no regard (awareness) of proper corporate/ school governance; and
- the alleged undermining of staff by the headmaster, making whistle-blowing impossible.

**Reply:**

As indicated earlier, The LA has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the LA to await the response from the Chairman before a decision is reached on this matter.

**9. From Ms E Sini to the Portfolio Holder for Education, Children and Families**

What are the reward metrics of the headmaster for his pay rises and bonus payments?

**Reply:**

This is an issue for the Governing Body as the employer and not for the Local Authority.

**10. From Siobhan Gee to the Portfolio Holder for Education, Children and Families**

Are the Council able to instigate an investigation into the financial position at St Olave's school, Orpington, particularly in relation to the headteacher and the bursar setting up a private company to use the school's logo without the board of governors realising this?

**Reply:**

The Council did not give St Olave's the permission or mandate to set up these companies. The Council is presently establishing whether the company is one for which consent would be required.

**11. From Siobhan Gee to the Portfolio Holder for Education, Children and Families**

Is the board of governors at St Olave's operating according to their constitution with a full board of elected and nominated members and do they have sufficient authority to challenge the headmaster?

**Reply:**

No is the answer as the Board does not have a Local Authority representative in line with its constitution.

**12. From Siobhan Gee to the Portfolio Holder for Education, Children and Families**

The staff association have expressed a lot of concerns about how St Olave's is run. Can these concerns be fully investigated by independent people who have sufficient authority to make recommendations which will be implemented?

**Reply:**

This is a matter for the Governing Body and the Local Authority has asked the new Chairman of the Governing Body to formally look into this.

**13. From James Williams-Ward to the Portfolio Holder for Education, Children and Families**

There have been widespread reports of poor pastoral support at St Olave's at exam and post exam/results stage for GCSE and 'A' Level pupils. What will the London Borough of Bromley do to investigate the concerns that have been raised by the student body, parents and many of the teachers? How will school governance be reformed to prevent this happening again?

**Reply:**

This is a matter for the Governing Body and the Local Authority has asked the new chairman of the Governing Body to formally look into this.

**14. From James Williams-Ward to the Portfolio Holder for Education, Children and Families**

Considering recent press coverage, and recognition of the fact that the senior management team at St Olave's has been ignoring the London Borough of Bromley's exclusion recommendations for five years to maximise performance rankings, how will the London Borough of Bromley verify that this team is fit to stay in their roles to nurture and develop the talent of Bromley and surrounding Boroughs in the future?

**Reply:**

By having an elected LA rep on the Governing Body, the LA will be exercising its scrutiny function through this.

**15. From Maria Koutani to the Portfolio Holder for Education, Children and Families**

After recent publicity about St Olave's school and the issues which have occurred, is the Council willing to take any action starting an investigation in order to protect the school's daily life and reputation?

**Reply:**

The Local Authority has formally asked the new Chairman of the Governing Body to consider this. It is paramount for the Local Authority to await the response from the Chairman before a decision is reached on this matter.

**16. From Richard Watts to the Portfolio Holder for Education, Children and Families**

What is the role of the LA in the governance of St Olave's, a church foundation school? There have been no elections for parent governors, no current teacher and no LEA representative on the governing body. How can good governance be maintained in this situation?

**Reply:**

The LA put forward a nomination of one of its elected members to the Governing Body of the School. The Board of Governors are responsible for appointing



governors. Unfortunately, the LA was informed on 21 September that its nomination was not accepted by the board for reasons unknown to the LA. We have asked the Governing Body to explain why the LA's nomination was refused. On the same day of receiving this information, I as the Portfolio Holder put forward another nomination of an Elected Member to the Governing Body and we await the decision of the Governing body in respect of this nomination in October.

The lack of an elected member on the governing body remains a problem as the role of elected members as champions of children in education is not fully fulfilled. However, I note that the diocese and foundation have sitting governors that are charged with overseeing the running of the school. The issue about the absence of a current teacher or parent governor is one for the governing body to address and not the LA

**17. From Richard Watts to the Portfolio Holder for Education, Children and Families**

Is it true that the legal department of Bromley Council advised the Head of St Olave's 5 years ago that a results based 6th form progression policy was unlawful?

**Reply:**

The view is that the school was informed. I have not seen any evidence to support this.

**Appendix 1** (question 3)**Affordable housing built over the past four years**

Ward	Gross Affordable Housing Output (Financial Year)*				
	2012/13	2013/14	2014/15	2015/16	Total
Bickley					
Biggin Hill		6			6
Bromley Common & Keston	60	8			68
Bromley Town		16		1	17
Chelsfield & Pratts Bottom					0
Chislehurst		74	7		81
Clock House		2			2
Copers Cope	9	2		15	26
Cray Valley East			19		19
Cray Valley West			16		16
Crystal Palace	21	32	8		61
Darwin					0
Farnborough & Crofton					0
Hayes & Coney Hall				2	20
Kelsey & Eden Park					0
Mottingham & Chislehurst North					0
Orpington	22				22
Penge & Cator	20			2	22
Petts Wood & Knoll	8		1		9
Plaistow & Sundridge					0
Shortlands	2				2
West Wickham	2				2
<b>Total</b>	<b>144</b>	<b>140</b>	<b>51</b>	<b>20</b>	<b>355</b>

\*Data extracted from London Development Database and based on affordable housing information available at the time of data input.

Ward	Net Affordable Housing Output (Financial Year)*				
	2012/13	2013/14	2014/15	2015/16	Total
Bickley					0
Biggin Hill		6			6
Bromley Common & Keston	60	8			68
Bromley Town		16		1	17
Chelsfield & Pratts Bottom					0
Chislehurst		74	7		81
Clock House		2			2
Copers Cope	9	2		15	26
Cray Valley East			-85		-85
Cray Valley West			16		16
Crystal Palace	21	32	8		61
Darwin					0
Farnborough & Crofton					0
Hayes & Coney Hall				2	2
Kelsey & Eden Park					0
Mottingham & Chislehurst North					0
Orpington	-189				-189
Penge & Cator	20			-8	12
Petts Wood & Knoll	8		-8		0
Plaistow & Sundridge					0
Shortlands	1				1
West Wickham	2				2
<b>Total</b>	<b>-68</b>	<b>140</b>	<b>-62</b>	<b>10</b>	<b>20</b>

**Affordable housing in the residential pipeline (sites granted planning permission only) September 2017**

Ward	Affordable housing units in the residential pipeline*	
	Gross units	Net units
Bickley		
Biggin Hill		
Bromley Common & Keston		
Bromley Town	52	52
Chelsfield & Pratts Bottom		
Chislehurst		
Clock House		
Copers Cope		
Cray Valley East		
Cray Valley West		
Crystal Palace	91	91
Darwin		
Farnborough & Crofton		
Hayes & Coney Hall		
Kelsey & Eden Park	79	79
Mottingham & Chislehurst North		
Orpington	12	12
Penge & Cator		
Petts Wood & Knoll		
Plaistow & Sundridge		
Shortlands		
West Wickham		
<b>Total</b>	<b>234</b>	<b>234</b>

\*Data extracted from London Development Database and based on affordable housing information available at the time of data input.

## **Appendix 2** (Question 4)

Dear Mr Webber

I refer to your written question asked at the Council meeting on 25<sup>th</sup> September and would like to take this opportunity to provide some information which you may find of interest.

Whilst the answer provided by officers for the meeting on 25<sup>th</sup> September still stands, I would like to make reference to a paper which was at that time in the process of being written and which has subsequently been published in advance of a Special Care Services PDS on 9th October before going to the Executive for decision on 10<sup>th</sup> October.

The paper titled Discharge to Assess (D2A) Pilot, speaks for itself in recommending funding to support the pilot of a Discharge to Assess model in Bromley. The model, which is based on successful national pilots enables people to leave hospital without delay as soon as they are medically ready to be assessed for their long term care and support needs. Assessment takes place outside of the hospital setting in a more familiar, community based setting with a focus on enabling people to return home wherever possible aiming to reduce the amount of time that people remain in hospital unnecessarily.

I have attached the report for your information. As you can see there is an options appraisal included in Appendix B with officers recommending that option 3 Discharge to Assess/Home First is adopted to support the key objectives highlighted in the paper.

Kind regards,

Councillor Diane Smith.

Portfolio Holder for Adult Care Services

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**Decision Maker:** EXECUTIVE

**For Pre-Decision Scrutiny by the Care Services PDS Committee on 9<sup>th</sup> October 2017**

**Date:** 10<sup>th</sup> October 2017

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

**Title:** DISCHARGE TO ASSESS (D2A) PILOT

**Contact Officer:** Jodie Adkin, Head of Discharge Commissioning  
Tel: 07803 496492 E-mail: Jodie.Adkin@bromley.gov.uk

**Chief Officer:** Stephen John, Director of Adult Social Care  
Education, Care and Health Services, London Borough of Bromley  
Tel: 020 8313 4754 E-mail Stephen.John@bromley.gov.uk

**Ward:** All Wards

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1. Reason for report

- 1.1 The purpose of the report is to obtain approval for a pilot to implement the Discharge to Assess model in Bromley Adult Social Care, utilising £818k of the Better Care Fund.

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2. RECOMMENDATIONS

- 2.1. Care Services PDS Committee Members are asked to note and comment on the contents on this report.

2.2. Executive is asked to:

- 2.2.1. Agree the drawdown of £818k from the Better Care Fund (BCF) to support the implementation of a Discharge to Assess pilot in adult social care.
- 2.2.2. Note that an evaluation of the D2A will be reported back to Members in May 2018.

### Corporate Policy

1. Policy Status: Not Applicable Existing Policy New Policy:
  2. BBB Priority: Supporting Independence Healthy Bromley:
- 

### Financial

1. Cost of proposal: £818k
  2. On-going costs:n/a
  3. Budget head/performance centre: n/a
  4. Total current budget for this head: £zero
  5. Source of funding: BCF
- 

### Personnel

1. Number of staff (current and additional): 11
  2. If from existing staff resources, number of staff hours: 0
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications:
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): current 0, proposed 871
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: n/a



### 3. COMMENTARY

#### Summary

- 3.1. This report recommends the funding of a pilot “Discharge to Assess” model in Bromley. This model, following a number of successful national pilots, enables people to leave hospital without delay as soon as they are medically ready to be assessed for their long term care and support needs. Assessment takes place outside of the hospital setting in a more familiar, community based setting, with a focus on enabling people to return home wherever possible. The model aims to reduce the amount of time people remain in a hospital bed unnecessarily where levels of functioning, independence and wellbeing decline and the cost to the whole system is significant.
- 3.2. The pilot will create a temporary, community based joint team of health and social care officers to enable prompt hospital discharge. The team will provide a multidisciplinary enablement and assessment function to run alongside the existing hospital-based Care Management Team and test a different approach to hospital discharge for people with ongoing care and support needs including access to immediate wrap around care and support. Should the pilot be successful, existing resources would be transformed to adopt a Discharge to Assess model locally.
- 3.3. In summary, the pilot will fund a team to:
  - reduce delayed transfers of care
  - pump-prime the transformation of existing resources to reduce pressures on the system
  - improve outcomes for service users
  - potentially identify efficiencies (including cashable) in on-going care and support costs
  - Enable Bromley to achieve the challenging delayed transfer of care targets which have been set by NHS England.

#### Background – delayed transfers of care

- 3.4. The Care Act requires local authorities and partners to ensure ‘people do not remain in hospital when they no longer require care that can only be provided in an acute trust’. Where people who are ready to be discharged but remain in hospital, awaiting further care and support in the community, this is referred to as Delayed Transfers of Care (DToC). DToCs are reported to NHS England (NHSE) on a weekly basis measuring delays that are attributed to either the NHS or to the local authority.
- 3.5. During 2016/17 there were a total of 6,435 delayed transfer of care days reported in Bromley, an increase of 63% on the previous year.
  - 65.45% of these were deemed “social care” (local authority) associated delays (4,212).
  - 77% of social care delays were caused by pressures on the availability of packages of care and placements.
  - Social care associated delays have increased year on year. Delays are often caused by delays in finding suitable nursing placements and the availability of costly double handed packages of care.
- 3.6. A comparison of Bromley’s performance on DToC with our nearest local authority neighbours shows that local social care delays were consistently amongst the highest in the region throughout 2016/17. (Attached as **Appendix A1**)
- 3.7. Delays in discharging people from hospital have an evidenced impact upon their health and wellbeing. A wait of more than 2 days reduces the potential of a person being re-abled or rehabilitated to regain independence, while a wait of 10 days in a hospital bed can lead to the equivalent of 10 years aging in muscles of people over 80, significantly reducing the possibility

of ongoing independence and increasing the levels of care required. [Research from 2014 National Audit of Intermediary Care, Professor John Young.]

- 3.8. The cost to the overall system is high. The National Audit Office reports that unnecessary hospital bed days due to delayed transfers of care costs the NHS in the region of £820m per year.
- 3.9. Hospital Trusts are able to charge organisations for delayed discharge days at a rate of £155 per day. Although not currently practiced by Kings College Hospital Trust, the potential penalty equates to a £652,860 charge to London Borough of Bromley during 2016/17.
- 3.10. However, from September 2017, as part of the requirements of the Better Care Fund/Improved Better Care Fund, Bromley has a target to reduce DToC in order to achieve the national target of no more than 3.5% of total beds delayed nationally. This means a local reduction in DToC from 4,184 total delayed days from September 2016 - March 2017 to 2,310 delayed days for the same period during 2017/2018, a 45% reduction. Not achieving the target could result in financial penalties against the iBCF.
- 3.11. In addition, Integration and Better Care Fund Planning Guidance 2017-2019 includes a specific grant condition for local authorities to manage transfers of care. The condition states that all areas should implement the “High Impact Change Model” to support system-wide improvements in transfers of care. Discharge to Assess is a significant part of the High Impact Changes required. It is expected that the BCF will fund local transformation in line with this model to support the shift of resources away from hospital care and towards care in the community and at home.

### **Background – responding to delayed transfers of care**

- 3.12. In Bromley, the Transfer of Care Bureau (ToCB) was established (October 2015) to tackle the ongoing delayed transfers of care. The ToCB brings together local authority care managers, discharge co-ordinators, community health and therapy providers and the voluntary/community sector to facilitate hospital discharge for people requiring on-going care and support
- 3.13. Despite the success of this model, people’s on-going care and support needs are assessed in hospital, while health and social care funding processes run parallel to one another. The current infrastructure can be time consuming and undertaken under significant pressure, resulting potentially in costly packages of care or long term placements being arranged in order to enable people to leave hospital.
- 3.14. Levels of demand continue to rise, with an increase in levels of frailty and complexity of need being seen. In 2016/17 there were approximately 1,500 social care assessments (125 per month) undertaken by the ToCB staff based at the hospital. Year to date performance is showing a 33% increase in assessments during quarter 1 against the same period last year - a trajectory of approximately 2,000 assessments forecast for 2017/18.
- 3.15. The current infrastructure is under increasing pressure and requires modernisation in order to function effectively within existing resources. The pilot recommended in this report will provide an additional resource to support demand throughout the winter months (when pressure in the system increase considerably), while also testing new ways of working that can be used to transform existing resources.

## Options Appraisal

3.16. An option appraisal (attached as **Appendix B**) was undertaken to identify how best to achieve the following outcomes.

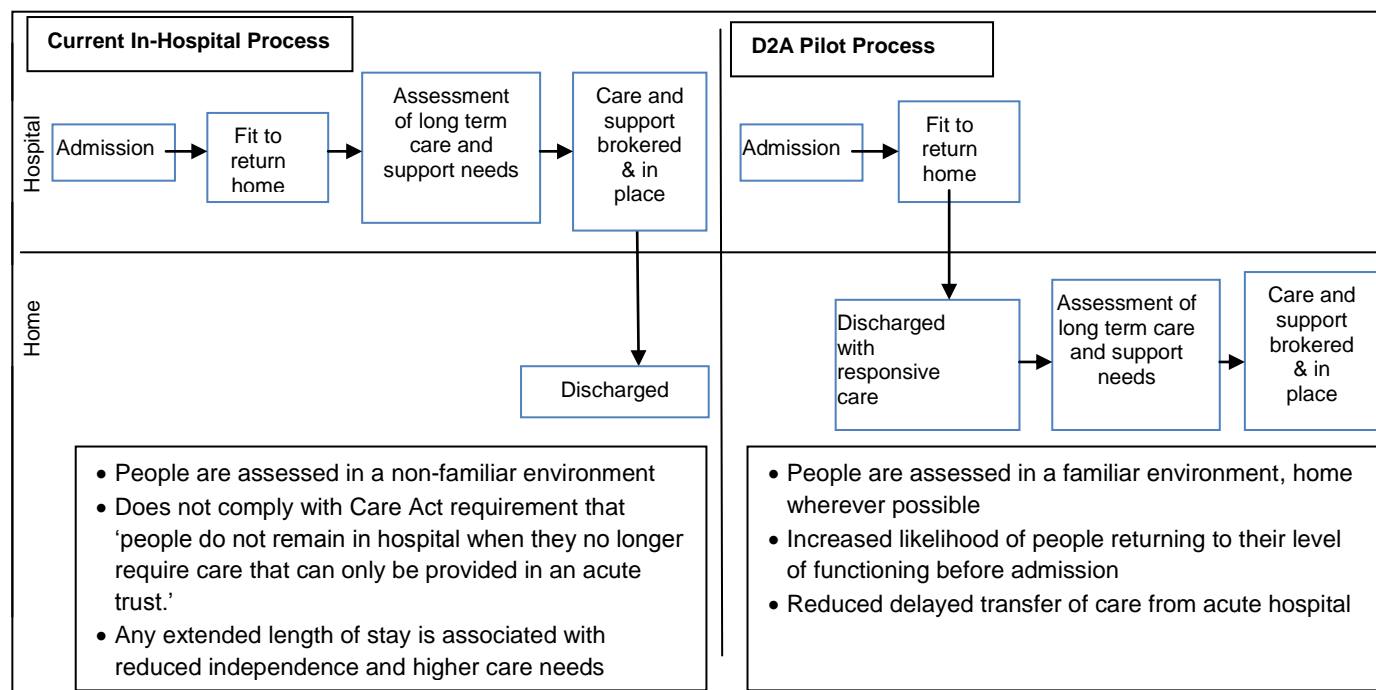
- Provide additional support throughout the winter when demand on the system, including numbers of assessments and DToC, increase significantly
- Ensuring people are supported in the right place, at the right time, to meet their needs to recover and maintain independence in the community reducing the pressure on adult social care services
- Maximise iBCF funding by reducing delayed transfers of care associated with social care
- Enable Bromley to deliver a fit for purpose Better Care Fund by supporting implementation of the required High Impact Change Model

The appraisal recommends the piloting of the Discharge to Assess model in Bromley.

### The Discharge to Assess Model

3.17. The Discharge to Assess model (or D2A as it has become known nationally) provides short-term care and reablement/rehabilitation in people's homes or uses 'step-down' beds to bridge the gap between hospital and home. In either scenario, people no longer need to wait unnecessarily for assessments or community resources to become available in hospital. The model changes the way current services are provided by moving reactive services out of hospitals and into the community providing responsive, proactive wrap-around care that can support people immediately.

3.18. The diagram below compares an "in hospital" assessment process against the D2A model.



3.19. Several examples of D2A are available nationally (attached as **Appendix C**):

3.20. In Bexley, a single pathway has been developed to support people to return home from hospital. Social care related DToC have reduced from 26 in June 2015 to 2 in June 2017.

3.21. South Warwickshire have developed three pathways:

- Pathway 1: Home providing care and support at home to maintain people's independence
- Pathway 2: Step down beds for individuals requiring additional, non-hospital support that cannot be met safely at home
- Pathway 3: Long-term placement including residential and nursing

South Warwickshire have reported a reduction in on-going social care costs from £442pw for non D2A service users, against a cost of £224pw for D2A service users.

3.22. Findings from D2A models around the country including Bexley, Medway and Sheffield have reported:

- a reduction in length of stay in hospital
- an increase in people leaving hospital supported to regain independence
- reduction in costly packages of care, and
- less people being admitted to long term nursing homes following admission.

All D2A services nationally have reported positive feedback from service users and staff. Case studies can be found in **Appendix D**.

3.23. In addition to these positive examples, local learning has shown:

- When assessed post discharge and at home the cost of care packages can reduce by 60% from £398pw to £227pw.
- 65% of service users assessed for their long term care and support needs following a period of reablement at home no longer require an adult social care service
- Continuing Health Care Reviews undertaken 2/4 weeks following admission to nursing homes result in a reduction of on-going cost due to a period of settling and recovery.

All of these examples provide a period of recovery/stabilising before assessing for long term care and support needs in a familiar community based setting. The D2A pilot aims to build upon this for all people leaving acute care with ongoing care and support needs.

### **The Discharge to Assess Pilot in Bromley**

3.24. The recommendation in this report is to fund the piloting of D2A locally to test whether the benefits gained in other local authorities can be achieved in Bromley. In line with the model described above, the pilot would enable people to be discharged from hospital as soon as they are able to be supported in the community with immediate wrap-around care and support as required. People are able to achieve maximum recovery and functioning before they are assessed for their long term care and support needs.

3.25. In line with national best practice, three D2A pathways are proposed in Bromley.

- Pathway 1 – Home: As many people as possible will be supported through this pathway. The pilot will help people to achieve their maximum potential before transferring them to any on-going care and support requirements. For some this may be as short as 3-5 days. For others, where further recovery is possible, individuals may remain in the pathway for up to 6 weeks (in line with the council's reablement policy) to maximise their potential. Any time spent by people on the D2A pathway will form part of their maximum 6 week free service (e.g. if someone receives 2 weeks support in D2A and then moves onto the existing reablement service, they will receive up to a maximum of 4 weeks in reablement).

- Pathway 2 – Step down: This pathway involves using interim placements for those that require a short period of intense recovery to maximise their independence or for those who cannot return home for safety reasons. The majority of people will return home following an interim placement, based on the experience of the current bed based rehabilitation model where 75% of patients return home.
- Pathway 3 – Long term placement: This provides for those requiring a long term nursing home placement. It will replace the current process of initial assessment, funding agreement and nursing home assessment that takes place in hospital and which takes on average 10 days to complete. Within D2A, health and social care assessments will be completed when the service user is settled outside of hospital, providing a more informed view of the levels of care required. A core objective of this pathway will be to remove this lengthy process and allow a period of settling before the assessment of long term care and support needs is undertaken.

3.26. Success criteria for the pilot therefore includes the following:

- All pathways: Improved outcomes for service users including increased independence and improved experience of the discharge process
- Pathway 1 – Ongoing care and support needs are reduced with a subsequent impact upon cost.
- Pathway 2 – Majority of service users return home following interim placement
- Pathway 3 - Care and support needs are reduced and less complex placements are required above the council's nursing home ceiling rate.

3.27. The pilot will run for 6 months from October 2017 with fortnightly budget and performance reviews. Despite the success other local authorities have had in implementing a D2A model, it is imperative that Bromley is able to evaluate the approach as a pilot in order to determine the configuration of the service model going forward. A full evaluation report including an evaluation of the pilot and recommendations for the future will be provided to Members at the end of the 6 month pilot.

### **The Pilot D2A - Staffing Resources**

3.28. Delivering the pilot's objectives will require a temporary multidisciplinary team to provide intervention and assessments for those discharged through D2A.

3.29. The D2A team will run alongside the existing hospital based team for the period of the pilot, the temporary infrastructure preventing the risk of destabilising the existing workforce and reducing capacity for social work at the hospital during the challenging winter months. If the pilot is successful as planned, it will be possible to review and realign existing resources into a new single function.

3.30. In line with national best practice, the temporary D2A team will be composed of

- 1 FTE Team Manager
- 7 Care Managers/Care Manager Assistants
- A dedicated GP
- 2 FTE Occupational Therapy Assistants/moving and handling risk assessors

A breakdown of the interim staffing costs are included in **Appendix A**. The longer term impact upon staffing is difficult to determine at this stage, although (a) the dual running of the two teams will not be required once the pilot has been completed and (b) the resource to implement

D2A after the pilot will be determined as a result of the learning from the pilot and all costs will be contained within existing staffing budgets.

### **The D2A Pilot - Financial Assumptions**

The model consists of the following:

- 3.31. Discharge to Assess Team: £372k is required to implement a temporary multidisciplinary team filled by interim staff to provide intervention and assessments for those discharged through D2A. Provision is included for training and development of the existing workforce to support D2A.
- 3.32. Domiciliary care packages: up to an estimated £156k is required for domiciliary care to be provided under the D2A pilot. This will provide responsive care as required by the needs of the service user, procured through the existing CCG infrastructure available at the hospital. There has been a considerable amount of engagement with the local market to provide responsive care for people leaving hospital. Providers have also fed back via market engagement that a more sustainable way to procure care to meet the level and variation in demand is on a day rate with carers integrated into the D2A team, able to be deployed as required. This is also a more cost effective way to procure care.
- 3.33. Administrative and Tracking: £50k will provide for an administrative and tracking staffing resource for the whole of D2A infrastructure to ensure that resources are maximised, that demand is matched to capacity and that the D2A has a robust performance and evaluation framework for future learning. Performance will be regularly reported to the Departmental Management Team within ECHS.
- 3.34 Long term placements: Up to £240k enables the procurement of immediate nursing home beds so that service users can be discharged from hospital quickly. Placements will be brokered through existing CCG arrangements which provides additional support to families. Engagement with providers has shown that they would be more likely to accept patients straight from hospital and in a more responsive way with support from the D2A team. Initial mobilisation of the additional nursing beds procured by the council recently for use in reducing DToCs has demonstrated the willingness of providers to work in more efficient ways including taking over the phone assessments and admitting at weekends which has not been possible in our standard spot purchased beds.

		<b>£'000</b>
1	Discharge to Assess Team	372
2	Domiciliary Care packages	156
3	Infrastructure, tracking and evaluation	50
4	Long term Placements	240
	<b>Total</b>	<b>818</b>

### **The D2A Pilot - Demand and Outcome Assumptions**

- 3.35. Demand modelling suggests that the D2A pilot should expect 870 service users requiring assessment for their long term care and support needs in the community. This has been developed based on the number of people that could be safely supported in the proposed pilot figures. Indicative numbers of people within each pathway are Pathway 1 – 650; Pathway 2 – 155; Pathway 3 – 65.

- 3.36. Currently self-funders are supported via Care Home Select (CHS) within the ToCB to identify and commission their own support at home or in a placement. Where someone can benefit from support to achieve independence they will be offered the service regardless of self-funding status. This helps to protect statutory services in the long term as self-funders will become the responsibility of the local authority in the event of funds being depleted (by, for example, the unnecessary provision of expensive residential care).
- 3.37. The D2A pilot is aligned to the existing Charging Policy and would result in no change to income received through partial funders. Individuals supported through D2A would be charged as appropriate following the assessment of their long term care and support needs, reflective of the current process.
- 3.38. As stated earlier in the report (3.19 – 3.22), other authorities have been successful in achieving significant reductions in on-going social care costs by using a D2A model. This report does not assume that these will be mirrored in Bromley – there are different demographic pressures in each location, each authority is using a version of a D2A model with variations in pathways and staffing, and each local care market is different. This report has more prudently assumed a 15% reduction in on going social care costs as detailed in the Financial Implications section.

## **Risks**

- 3.39. The potential impact of not implementing the D2A model may be significant. Sign off of the Better Care Fund is dependent on clear plans to implement the HIC model. Failure to achieve the DToC target set by NHSE could result in a financial penalty applied against the Improved Better Care Fund (iBCF). More immediately, the current hospital based model is unlikely to cope with additional pressures throughout the coming winter.
- 3.40. Due to the challenges in exact modelling of potential social care demand there is a risk that the financial envelope will not be sufficient to support demand. To mitigate against this, however, modelling has been undertaken against the previous year's activity and tested against live tracked patients at the hospital throughout the busiest months of the year to date. In addition, the funding of administration and tracking capacity will allow a robust daily oversight of activity and financial position which will be reviewed regularly.
- 3.41. Pathway 3 relies upon availability of care homes which may not be responsive or sufficient enough to meet the demand of the D2A model. However, the proposed numbers of people are within existing demand and therefore no 'new' placements are being sourced. The use of Care Home Select to source placements as well as dedicated support from the D2A team is an additional offer to providers locally and which has been received positively. Providers have confirmed they are more likely to engage and take additional patients from the hospital with this additional support in place addressing some of the barriers in accessing placements locally.
- 3.42. The recruitment of staff is a local and national challenge. The innovative nature of the D2A model is an attractive opportunity for professionals and therefore likely to support recruitment. Officers will use a range of recruitment approaches including interim and agency staff to reduce the risk of vacancies in the service. In the event that the level of demand on the hospital care management team begins to decrease through more people being supported through Discharge to Assess, interested hospital based personnel will be enabled to move into the community based D2A.

#### 4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1. The implementation of the D2A model will ensure vulnerable adults that have been acutely unwell and have on-going care and support needs are appropriately assessed and supported in the right place at the right time to maximise recovery, independence and staying well in the community for longer. The D2A model will also reduce the risk of infection and physical deterioration associated with prolonged unnecessary hospital stays.

#### 5. POLICY IMPLICATIONS

- 5.1. The **Care Act** promotes assurance that 'people do not remain in hospital when they no longer require care that can only be provided in an acute trust.'
- 5.2. Integration and Better Care Fund Planning Guidance 2017-2019 requires health and social care partners to work together to
- Invest in NHS commissioned out-of-hospital services;
  - Support implementation of the High Impact Change Model for Managing Transfers of Care
  - High Impact Change 4: Discharge to Assess is described as *'Providing short-term care and reablement in people's homes or using 'step-down' beds to bridge the gap between hospital and home'*
- 5.3 The Joint Integrated Commissioning Executive has discussed and approved this project, prior to Executive consideration of this report, on 10 August 2017

#### 6. PROCUREMENT IMPLICATIONS

- 6.1 There are no identified procurement implications for LBB as the CCG will undertake the procurement for Recommendations 2, 3 and 4.
- 6.2 Summary of Procurement Implications: The health and social services Light Touch regime of the Public Procurement Contracts Regulations 2015 and the cumulative value is above the threshold (£589,000) requiring competitive tender.
- 6.3 If all the services are to be procured as a group of services the Light Touch regime should be followed, this would equally apply if some of the services are grouped together and the estimated value for them combined exceeds the threshold.

#### 7. FINANCIAL IMPLICATIONS

- 7.1. The table below outlines the cost and benefits of carrying out this pilot. The pilot is funded from the Better Care Fund (BCF).



	<b>Numbers</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>Assumed</b>	<b>6 months</b>	<b>full year</b>
	<b>through</b>		
	<b>D2A</b>		
	<b>Pilot**</b>	<b>£'000</b>	<b>£'000</b>
Discharge to Assess Team		372	0
Domiciliary Care Packages		156	312
Infrastructure, tracking and evaluation		50	100
Long Term Placements		240	480
Savings from Dom Care (Step 1)	650	-475	-951
Savings from Step Down (Step 2)	156	0	0
Savings from Placements (Step 3)	65	-27	-53
<b>Cost of pilot</b>	<b>871</b>	<b>316</b>	<b>-112</b>

\*\*The pilot will run for six months and then be evaluated.

- 7.2. As set out in the body of the report shows that considerable savings have been made in pilots in other authorities. A prudent approach has assumed on the savings that may accrue from the pilot in this model based on 15% (other Local Authorities have seen higher savings figures up to 50%). A 15% assumption is reflected in the table above.
- 7.3. The model assumes that due to the running of the pilot there will be a saving on the level of domiciliary care and residential packages. Assumptions have been made of a 15% reduction in domiciliary care packages and a reduction of placements above the ceiling rate of 70%.
- 7.4. The assumption is that staffing will double run for six months. During this period the current staffing cohort will be reorganised to enable them to operate under the pilot model. Therefore there will be no additional staffing costs going forward after the six month pilot period.
- 7.5. It is not possible to accurately calculate the full cost/benefit implications of the pilot. However a report will come back to the executive after six months with a full evaluation and recommended way forward. During the six month period performance and financial information will be captured by the service and reported into the management team.
- 7.6. From the body of the report it can be seen that there is a risk of a penalty being charged in a form of a reduction in the IBCF if our delayed discharge remains high. In addition, there is a risk to the council of a fine of £155 per day for each DTOC attributable to Social Care and this would equate to a total of £653k penalty charge using 2016/17 figures. It must be noted that although this remains a risk, no financial penalties have been imposed so far. The evaluation of the pilot must evidence the reduction of DTOC in order to mitigate these risks.
- 7.7. It is assumed that clients going through the D2A pathways will be charged for social care once their assessment has been completed in line with the council's charging policy. Failure to do this will result in a negative impact on the income stream for adult social care.
- 7.8. Although this is a demand led service the budget available for care packages is capped as per paragraph 3.34.

- 7.9. It is recognised that any reduction in delayed discharge could result in cost pressures on social care. However, a more effective discharge arrangement could enable more cost effective packages of care following discharge.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 It will not be possible to create the temporary care management team from existing resources due to pressures on the current workforce. Given the short term nature of the proposed pilot scheme, the team will be sourced using suitably qualified agency workers.

## **9. LEGAL IMPLICATIONS**

- 9.1 The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the Better Care Fund (BCF). It allows for the Mandate to NHS England to include specific requirements to instruct NHS England over the BCF, and NHS England to direct Clinical Commissioning Groups to pool the necessary funding.
- 9.2 Guidance is provided by the Department of Health and Department for Communities and Local Government in March 2017: 2017-2019 Integrated and Better Care Fund which support the aims of this proposed pilot scheme.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	

Cost for the 6 month pilot

		6 month cost £'000
1 FTE GP	£100ph	96
1 FTE Team Manager	£40ph	38
2 FTE SCM	£35ph	67
2 FTE OT	£20ph	38
2 FTE Care managers	£25ph	48
3 FTE CM assistant	£19ph	55
Training and development		30
Total		372

Appendix A1

Total Delayed Days Local Authority

NHS	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	AVERAGE
Bexley	316	589	420	284	234	100	103	266	91	113	205	189	243
Bromley	137	193	136	165	121	258	203	188	264	160	97	98	168
Croydon	430	342	458	714	797	822	806	580	375	416	459	670	572
Greenwich	108	107	117	309	252	255	372	383	275	191	61	130	213
Lambeth	432	317	375	392	525	432	430	283	429	262	235	391	375
Lewisham	285	371	366	284	336	388	392	432	321	285	207	288	330
LBB Ranking (0=Best; 6=Worst)	2	2	2	1	1	3	2	1	2	2	2	1	
Social Care	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	AVERAGE
Bexley	255	374	361	388	176	166	152	86	192	272	217	364	250
Bromley	284	277	305	264	251	307	341	525	779	348	265	266	351
Croydon	23	12	88	164	201	194	227	221	188	327	354	289	191
Greenwich	221	182	58	175	231	229	473	213	231	111	161	97	199
Lambeth	243	163	162	181	174	245	247	186	134	182	89	168	181
Lewisham	73	141	81	82	67	138	131	86	77	114	110	144	104
LBB Ranking (0=Best; 6=Worst)	6	5	5	5	6	6	5	6	6	6	5	4	
Both	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	AVERAGE
Bexley	30	31	30	65	44	32	29	52	31	31	20	0	33
Bromley	0	0	24	31	63	0	21	42	22	0	0	0	17
Croydon	8	0	0	0	31	34	30	0	0	0	28	31	14
Greenwich	0	0	30	25	31	29	31	0	0	0	0	0	12
Lambeth	49	9	10	6	38	0	17	0	0	0	28	31	16
Lewisham	166	204	123	146	212	50	0	15	0	0	17	16	79
LBB Ranking (0=Best; 6=Worst)	1	1	3	4	5	1	3	5	5	1	1	1	

<b>Bromley</b>													
NHS	137	193	136	165	121	258	203	188	264	160	97	98	
Social Care	284	277	305	264	251	307	341	525	779	348	265	266	
Both	0	0	24	31	63	0	21	42	22	0	0	0	
TTL	421	470	465	460	435	565	565	755	1065	508	362	364	
Ranking													

**Options Appraisal: reducing Delayed Transfer of Care****Objectives**

1. To reduce the numbers of Delayed Transfer of Care associated with social care delays therefore achieving maximum IBCF funding and fulfilling statutory responsibilities
2. Support implementation of the eight High Impact Changes suggested to enable BCF sign off and achieve maximum impact on reducing DToC
3. Ensuring people are supported in the right place, at the right time, to meet their needs to recover and maintain independence in the community reducing the pressure on adult social care services
4. Provide additional support throughout the winter when DToC increase significantly

**Options****Option 1: Do nothing**

No additional cost

*Continue to provide the existing care management service within the Transfer of Care Bureau (ToCB) assessing for the long term care and support needs in an acute setting.*

This option would have no impact on the above objectives and delayed transfer of care would likely continue on the upward trajectory.

**Option 2: Step-down beds in dedicated, non-acute ward**

Unable to cost due to no current resource available

*A dedicated ward in the acute/sub-acute hospital to support those who are medically safe for transfer but are awaiting social care support to be discharged safely*

This model, used in neighbouring boroughs (including Foxbury ward at St Mary's, Sidcup), provides non-acute care for people no longer requiring consultant led care and support. The ward supported those who have on-going social care needs awaiting assessment and community support.

This option would initially have a significant impact on DToC however the evaluation of the Foxbury unit, and local experience of 'temporary' beds show they quickly become full and the level of impact reduces.

Although there may be scope in the future, the high demand being placed on the PRUH and Orpington means the physical space is not currently available to provide such a service at either of these sites. Consideration to a community-based ward has been made, however currently this resource does not exist in Bromley and therefore the only options would be out of borough.

**Option 3: Discharge 2 Assess/Home First**

£800k for a 6 month pilot

*Discharging patients who are clinically optimised for the assessment of their long term care and support to take place in the community, and wherever possible home.*

In line with the agreed nationally prescribed High Impact Changes the Discharge to Assess model moves assessments from an acute setting to the community, and wherever possible home. The model reduces delays in transfer of care by ensuring people are transferred once they are clinically optimised and no longer need a hospital bed ensuring individuals are supported in the most appropriate setting to meet their needs. The D2A model supports the likelihood of regained independence and reduced level of need in the medium to long-term through shorter length of stay.

The model is in line with the Eight High Impact Changes namely High Impact Change 4 Discharge to Assess/Home First. It also supports the Building a Better Bromley priority of Supporting Independence and achieving a Healthy Bromley.

This model would require a period of double running of the hospital Care Management team for a period of 6 months, therefore requiring additional temporary pump-prime funding, while the assessments from the acute hospital are transferred into the community, increasing over a period of time. The double running of the service however provides time to fully explore all options of the model and pilot a range of different approaches to support varying levels of need and complexity, maximise the learning potential of the pilot. For example, supporting those with dementia and/or challenging behaviour at home rather than nursing care, utilising different types of care to maximise recover potential and developing the most appropriate procurement methodology to support on-going commissioning of services in this model.

There is a level of uncertainty associated with this option as it will always be impossible to predict the exact nature of presentations and need at the hospital, however a pilot period, building on neighbouring and national approaches, would

allow the development of a local infrastructure and a proof of concept to be realised to influence activity going forward. Modelled against previous years DToC performance and building on existing local resources would provide a sound basis for undertaking a pilot.

**Option 4a: Increased Care Management Capacity at the Hospital**

*Circa £150k*

*Increasing care management capacity at the hospital to undertake assessments and broker long term care and support*

By increasing the number of care managers at the hospital it is expected assessments will be done quicker and planning for discharge commence earlier due to reduced workload of existing staff. This will likely reduce delayed transfers of care support some delayed transfer of care. This model however does not support the Eight High Impact Changes and will continue to deliver assessment of long-term care and support needs in an acute setting. There is evidence to suggest in some instances assessing need in an unfamiliar environment and when someone is acutely unwell is likely to result in the need for increased levels of care and support, higher than the medium to long-term need. For example elderly patients recovering from a common urinary tract infection (UTI) who have suffered from an associated episode of temporary delirium are likely to require higher levels of support when assessed while still in hospital as oppose to when they have returned home to settle and further recover.

**Option 4b: Increased Care Management Capacity at the Hospital and reviewing officers**

*Circa £350k*

*To ensure on-going care and support is in line with medium to long term functioning, an addition review in the community post discharge*

This option would achieve a similar outcome to the Discharge2Assess Model in ensuring on-going care and support is in line with medium to long term functioning. This would increase the steps in the process and place a potential additional pressure on adult social care services.

Option 4a&b would not support longer-term transformation or the Eight High Impact Changes. In addition this is unlikely to have less of an impact on DToC then Option 3.

### Option/Impact Matrix

	Objective 1: Impact on DToC (max=5)	Objective 2: 8 HIC (Y=5, N=0)	Objective 3: Right place right time (Order)	Objective 4: Additional support throughout the winter	Total
Option 1	0	N	1	0	1
Option 2	2	Y (5)	2	0	9
Option 3	4	Y (5)	5	5	19
Option 4a	3	N	3	3	9
Option 4b	3	N	4	4	11

### Recommendation

Option 3, Discharge to Assess/Home First is recommended as the most likely to address all four objectives

**Additional Information From Other Local Authority D2A Schemes****1. South Warwickshire****Model**

- Assessment for care and therapy needs at home, not in hospital
- Three pathways for three distinct cohorts of patients – but no patient is excluded
- Multidisciplinary team assessing and providing patient care
- Patients referred on within four to six weeks
- Discharge care co-ordinators facilitating patient journey
- 7 day per week service, 8.30am - midnight

**Outcome**

- Approximately 40 patients per week discharged through pathway 1 (home), 23 through pathway 2 and 5 for pathway 3 per week.
- Admission to residential care has decreased slightly over the past 12 months
- On-going cost of care and support for pathway 2 £226 against non D2A patient at £442 per week
- Positive patient and staff feedback

**2. Bexley****Model**

- Service users are provided with short term, funded support to be discharged to their own home for assessment for longer-term care and support needs to be undertaken.
- The Bexley model focuses on more complex cases on a single, home based pathway. The model provides significant packages of care at home to support people to return home and prevent admission to long term placement.
- D2A in Queen Elizabeth Hospital commenced as a pilot with one ward in September 2016, with the expansion across the hospital taking place in November 2016
- The Social Care Assistant visits patients at home within 48 hours to undertake the Care Act 2014 needs assessment and Continuing Health Care checklist (to determine if the patient is entitled to a full CHC assessment.)

**Outcomes**

- 25 patients per week are supported via D2A
- Social Care related DToCs have reduced from 26 in June 2015 to 2 in June 2017

**3. Medway****Model**

- Service users are assessed by an allied professional within 2 hours of returning home.
- Personalised enablement goals are agreed to maximise recovery.
- Equipment is available at home within 2 hours.
- Service users are continually reviewed in response to changing needs and transitioned from D2A once maximum potential has been achieved.
- Market development has resulted in a number of agencies with varying specialisms being in place to support D2A pathways.

**Outcome**

- Supported over 650 discharges from Medway hospital Since April 2016 and November 2016
- Reduction in DToC of 25% in first 3 months
- An average of 32 service users per week are supported through D2A

**Case Study (Tower Hamlets) Pathway 1**

72-year old woman, Ms T had been in hospital for 5 months due to an infected hip joint, she was not engaging with therapists on ward, it was recommended by the hospital, based on her presentations on the ward for a costly double handed package of care 4 times per day to facilitate discharge. Instead Ms T was referred for D2A. A Physiotherapist and social worker met the patient at home and set up an immediate package of care of 2 carers 4 x day, a hospital bed was provided and continence issues managed. Enablement goals were agreed together with the patient. The OT visited 2 days post discharge – the hospital bed was no longer needed, 6 days later client was walking around her home. Further goals were set to further encourage this. 8 days post discharge the Social worker reduced package of care to 1 carer 3 times per week

**Non-D2A**

Had this person not been supported on D2A she would have gone home with a large package of care which she would have quickly become dependent on due to decreased functioning therefore likely needing it on an on-going basis. The hospital bed would have also remained at the property impacting on the availability of equipment.

**Case Study, Pathway 3**

Mr Jones was in hospital for 3 weeks following a urinary tract infection (UTI) which had caused temporary delirium. Mr Jones has Parkinson's and following his recent admission now requires supervision for his mobility and transfers. Mr Jones wife, who was his carer has increasing health conditions and can no longer provide care for Mr Jones at home. It was agreed Mr Jones could no longer be supported safely at home and therefore a placement was required. The D2A team met Mr Jones and created a plan with the provider to support Mr Jones to settle. 2 weeks later Mr Jones was doing extremely well and was settled in his placement. A joint health and social care assessment took place at the same time in the placement with funding being agreed by social care for on-going care and support in line with ceiling rate.

**Non-D2A**

Had Mr Jones not have been supported through D2A a Continuing Health Care and Social Care Assessment would have been undertaken in hospital assessing his presenting challenging behaviour due to the temporary delirium. Funding would have been agreed then a nursing home sourced. Finding a provider that will support challenging behaviour is extremely difficult and can often take some time. All the while Mr Jones would have remained in hospital where the risk of infection is high and he is becoming more distressed. His average length of stay would have likely doubled therefore presenting a significant DToc.



**COUNCIL MEETING**

**25<sup>th</sup> SEPTEMBER 2017**

**QUESTIONS FOR ORAL REPLY FROM MEMBERS OF THE COUNCIL**

**1. From Councillor Nicholas Bennett JP to the Leader of the Council**

If he will make a statement on his vision for the future of the Borough?

**Reply:**

I thank Cllr Bennett for his question and I am very pleased to confirm that I shall be including my vision for the future as part of my statement to the Chamber which immediately follows this evening's question session.

**2. From Councillor Tony Owen to the Bromley Heritage Champion**

What steps will he take to ensure that the London Borough of Bromley is represented at the Council for Kentish Archaeology conference on 14th October 2017 when Bromley is invited to receive a heritage award?

**Reply:**

None.

**Supplementary Question:**

Does Councillor Bennett think that the Council deserves its Heritage Vandal of the Year Award? Does he think that the Council is wise to demolish a grade 2 listed structure, given a 17,000 signature petition to Downing Street and complaints about procedure to the Ombudsman?

**Reply:**

This award appears to have been invented for the sole purpose of trying to embarrass the Council. It has been presented by the Council for Kentish Archaeology, and I wonder why they feel a 26 year old building comes within the terms of archaeology. The building itself is a late addition to what is a listed building, and I do have concerns about the campaign group using a perfectly legitimate organisation for its own political ends. The reality is that this building which is to be demolished was only added in 1991 and is used for storage and as an office. The demolition is supported by the Museums Committee, the ward councillors, the Friends of St George's Chapel, the Bishop of Rochester, the Archdeacon of Bromley and Bexley, who is a trustee, the planning committee of this Council, the Ministry of Defence, the Heritage Lottery Fund and Historic England, who have supported the demolition. I do believe that with all those groups having that judgement it is not right that a small group wish to substitute their own subjective views when all the expert evidence is that this building will be enhanced when we go back to the original 1951 building. I have therefore no intention of taking this matter further.

**3. From Councillor Angela Wilkins to the Leader of the Council**

Could you please outline your position on transparency and openness as regards meetings and decision making in this Council?

**Reply:**

My position is that anything and everything should be discussed in open session at all times unless there is legal advice to the contrary.

**4. From Councillor Ian Dunn to the Portfolio Holder for Environment**

Can the Portfolio Holder please explain why he was unable or unwilling to provide the current timetable for the Environmental Services procurement to the Environment PDS meeting in July?

**Reply:**

The Portfolio Holder provided an update on the commissioning process at the Environment PDS Committee in July in answer to your questions at that meeting. A further update will be provided at the PDS next week.

**Supplementary Question:**

In 2016 the Parking Enforcement contract procurement overran, costing this Council several hundred thousand pounds in lost savings. How were the lessons learnt from that procurement incorporated into the planning for the Environmental Services procurement which is currently underway?

**Reply:**

As you indicated, by taking our time in getting a better contract we were able to get a lower price than the previous contract. If we can do the same on these contracts, and are prepared to take a bit more time, we will get the best contract and get the best value for the Council.

**5. From Councillor Vanessa Allen to the Portfolio Holder for Resources**

Answering my question concerning investment in fossil fuels at the June Council meeting, Councillor Arthur pointed out that only 0.04% of the total portfolio is currently invested in fossil fuels. As this is self-evidently a very small percentage, and there are good returns to be had from a multitude of more environmentally friendly funds, I repeat my request for Bromley to divert this money.

**Reply:**

As stated in my response to the original question at Council in June, the 0.04% of the total treasury management portfolio is in Diversified Growth Funds which are pooled funds that the Council cannot control the underlying investments of.

Whilst there are “green” or fossil fuel free funds, these are either predominantly invested in a single asset class e.g. equities, or in particular sectors like wind or solar. These funds could be significantly more volatile and expose the Council to an unacceptable level of risk.

Officers are not aware of any fossil fuel free Diversified Growth Funds, so in order to remove fossil fuels from the Council’s investments and maintain an acceptable level

of risk, it would be necessary to sell these investments and place the money in “standard” term deposits with banks and building societies.

Since the Diversified Growth Funds were purchased in December 2014, they have achieved an average net return of 2.31% p.a., which equates to £622k in total. Whereas over that period, “standard” deposits would have earned around £270k, so the Council would have “lost” around £350k in income.

**Supplementary Question:**

I am sure that if other investment bodies were consulted there would be all sorts of other options. At the last meeting there was talk about professional advice that the Finance and Treasury Management Team had taken, and they do a very good job in difficult circumstances and they have my full support and sympathy, but there is lots of professional advice from other bodies on alternative investments. I would repeat my request that this is reconsidered.

**Reply:**

I take the point that we are all moving over a period of years to fossil free heating and people are doing what they can in their own homes. I am sure that Members opposite would not be operating cars or white vans that used petrol or diesel as people might think that would be probably a little hypocritical. Everybody is moving towards that within their own homes – it is a matter for individuals to do it. I do not think it would be right at this time to sacrifice income on behalf of our taxpayers of the sort of sums of money that I just quoted. I think this is something perhaps that over a period of time we will be looking at but for the time being we will maximise income on behalf of our taxpayers.

**Additional Supplementary Question:**

Can the Portfolio Holder explain why, when the Leader of the Labour Group sits on the Executive and Resources PDS Committee, where a report on these matters arises at almost every meeting, and they have put forward no alternative suggestions in terms of the treasury management, and indeed they have supported those positions previously.

**Reply:**

Perhaps that question should be directed at her and she could explain what she contributes.

**6. From Councillor Peter Fookes to the Leader of the Council**

What are his priorities in the run up to the Local Elections next year?

**Reply:**

My priorities are as they are every day, week, month and year, irrespective of whether there is a local election pending or otherwise.

Namely, that this administration continues to provide quality, value for money services to Bromley residents, whilst working in close co-operation with all of our statutory and voluntary partners to help ensure their maximum health, safety and protection wherever possible at all times.

**Supplementary Question:**

Can the Leader make sure that vulnerable people in this borough are looked after and that we do not have, for example, as happened under the previous regime, food banks being charged a commercial rent?

**Reply:**

I can assure Councillor Fookes that there are no plans to change any policies around food banks in Bromley.

**7. From Councillor Nicholas Bennett JP to the Portfolio Holder for the Environment**

If he will list the number of times in the past three years officers have required residents to cut back vegetation over hanging the pavement or highway because of obstruction or possible injury to the public?

**Reply:**

2014/15	876 reports	484 with enforcement action
2015/16	683 reports	334 with enforcement action
2016/17	880 reports	453 with enforcement action

These are based on the numbers on the CONFIRM system.

**Supplementary Question:**

Can I draw attention to the logic of what he has just said? The Council quite rightly prosecutes and goes after people whose vegetation overhangs the street. Can he make sure that the Council does the same with its own vegetation? We have raised before the question of the crab-apple tree at 23 The Drive which is damaging the footway and also the owner's property. One law for one people – there should be the same law for the others - the Council should take action.

**Reply:**

Being in post only a short period, I am not familiar with the location you mention. It is not just overhanging the pavement – all our trees contribute to the green nature of our borough which all our residents appreciate. Overhanging the pavement at a suitable height is not in itself a problem. There are other examples where there is root growth that is likely to give rise to an insurance claim against the borough - then we will take action. However, overhanging in itself, if it is not at low head height and causing a hazard, or otherwise obstructing a street light, then it will not be necessary to take action.

**8. From Councillor Tony Owen to the Portfolio Holder for Renewal & Recreation**

What options have been discussed for the future of the Walnuts Leisure Centre site in Orpington?

**Reply:**

No options have been discussed for the future of the Walnuts Leisure Centre at Orpington, although the Council will be seeking to explore any opportunities that may arise through discussions with key stakeholders.

**Supplementary Question:**

Can the Portfolio Holder explain why people have come to me and said that they have been approached for finance to do certain things in Orpington? When will local Orpington Councillors and the public be involved in any plans for the Walnuts Leisure Centre, or will we be presented by a fait-accompli?

**Reply:**

I did say in my reply that we will have discussions with key stakeholders. They will certainly include the Orpington Councillors, the present owners of the Orpington shopping centre, the BID company in Orpington, assuming the re-election goes well and anyone else who is interested. No, there will not be a fait accompli; there will be a serious and proper discussion with all views taken into account.

**9. From Councillor Angela Wilkins to the Leader of the Council**

There has been a noticeable decrease in the number of organisations (particularly charities and the third sector) who are willing or able to tender or re-tender for Council contracts because of financial constraints. Would he agree with me that it is time now to re-visit the 60:40 value to quality policy in order that Bromley ensures it attracts the best contractors?

**Reply:**

I would advise you that the Council has a duty to demonstrate value for money in its contracting arrangements.

With that in mind, the 60% price and 40% quality model sits in line with CIPFA best practice, which is broadly why the policy is followed.

I would however agree that situations might arise where the policy needs to be varied on a case by case basis which is precisely the procedure and policy we employ today as well.

**Supplementary Question:**

I do not think that really answers the question about the fact that we are losing charitable and voluntary organisations. I am slightly concerned that, given that Councillor Smith described my reference to various procurement delays and audit reports, are we likely to see him claiming “fake news”?

**Reply:**

For the second time tonight, the Leader of the Opposition does not justify a response with her ridiculous comments.

**10. From Councillor Ian Dunn to the Portfolio Holder for Environment**

In response to my question in April you stated that the Council’s liability for Cornwall Drive “might be” limited to £300k. The paper which came to Council just four months later in July had a revised estimate of £573k. Can you please confirm that this really will be the limit of the Council’s liability?

**Reply:**

Almost certainly, yes.

**Supplementary Question:**

When asked the question earlier this year there was a suggestion that the limit of liability might be up to £450,000 and it has now gone up a further £123,000. Can you explain where the extra £123,000 over the previous answer came from?

**Reply:**

My understanding is that due to the delay in time before we were able to secure the funding from the Department for the Environment to continue to clear the site the kit that was retained on-site waiting for them to release the money to us incurred certain on-going costs. Now we are able to go ahead we do not foresee any further increase in costs.

**11. From Councillor Vanessa Allen to the Portfolio Holder for Environment**

It is standard practise over most of London and indeed the country for councils to offer a recycling service for business waste. Please would the Portfolio Holder instigate business waste recycling throughout the borough, and include it in the tender for the waste services contract. Business waste recycling collections could also be used for collection of on street recycling which is also standard in many parts of London, so please can this also be included in the service specification?

**Reply:**

Past assessments as part of the work of the Environmental Services PDS Waste Minimisation Working Group have found that the likely business take up of recycling would be low due to the projected costs that we would charge them. We therefore signpost businesses to alternative specialist recycling businesses.

Officers are currently exploring the options around introducing business waste recycling in the borough and I am pleased to give Councillor Allen the reassurance that business waste recycling will be considered as part of the retendering exercise for the Waste Management Services. Service take-up will remain a financial decision for businesses.

On-street recycling was another topic considered by the Environmental Services PDS Waste Minimisation Working Group. It is offered where visitors dispose of sufficient recyclable material that it can be collected in an environmentally sustainable and economical way.

**12. From Councillor Peter Fookes to the Portfolio Holder for Care Services**

What steps is she taking to ensure the future of Carers Bromley?

**Reply:**

Members in this Chamber will be aware and appreciate the great work that Carers Bromley do within our Borough. However the situation at present is complicated.

Following Carers Bromley's unilateral withdrawal from the CCG and Council's joint procurement process for the recently awarded contract, their future as an organisation remains unclear.

With that in mind, it is absolutely imperative that Carers Bromley now fully engage with the Bromley Third Sector Enterprise (BTSE) as the contract holders, to see what part they can still play locally should they wish to do so. I therefore very much hope that Carers Bromley will review their current position.

**Supplementary Question:**

Can we have a report to the next Care Services PDS Committee meeting on 14<sup>th</sup> November detailing how the Council can assist this organisation, who have probably saved the state an lot of money over the years.

**Reply:**

I believe this will be a matter for the PDS Chairman to decide, but it is worth mentioning that this is a good news story. Not only have the CCG and the Council committed to their existing funding, but there will be an additional £1.5m to go into the pot for preventative services.

**13. From Councillor Nicholas Bennett JP to the Portfolio Holder for the Environment**

How frequently are the street litter bins at the following locations emptied:

- Addington Road to Rydal Drive footpath;
- Rydal Drive to Windermere Road footpath;
- Hawes Lane by Hawes Down School and Centre entrance;
- Hawes Lane by Glebe School entrance?

**Reply:**

- Addington Road to Rydal Drive footpath –  
Fortnightly on a Thursday, Week 2
- Rydal Drive to Windermere Road footpath –  
Fortnightly on a Thursday, Week 2
- Hawes Lane by Hawes Down School and Centre entrance –  
Weekly on a Thursday.
- Hawes Lane by Glebe School entrance –  
Weekly on a Thursday.

**Supplementary Question:**

Is he aware of the long correspondence that I have had with the Department about these waste bins? The reality is that they are full very quickly. What policy do we have to ensure that they are emptied on a regular basis because, I am told by residents, these bins are often being missed, and what action is being taken where people are using these bins for household waste despite the fact that we now have notices on the bins. Can he give us an assurance that if we can identify who are using these bins for that purpose that prosecutions might follow under the Environmental Protection Act 1990.

**Reply:**

As of yet, no, I am not, but I am quite happy to look at those. Our street bins are looked at on a regular basis and where there is evidence that we can prosecute we will do so, if it is within the law.

**14. From Councillor Angela Wilkins to the Portfolio Holder for Public Protection and Safety?**

Will the Portfolio Holder require all LBB food establishments to visibly display their food hygiene scores on premises and websites?

**Reply:**

I am afraid that I do not have such power. Unlike Wales there is no statutory requirement for food businesses in England to display their food hygiene scores. It is something the Food Standards Agency is very keen to introduce but is not yet in place.

Businesses with scores of 3 (broadly compliant) or higher are generally happy to display their stickers so where a business does not display a score it is more than likely less than 3. The only exception would be for a new business that has yet to be inspected and rated.

Anyone can check the score of a food business before eating by visiting the Food Ratings Website <http://ratings.food.gov.uk/>

**Supplementary Question:**

I take the point – it would be helpful if the borough could encourage our food establishments to do that on a voluntary basis. Would she acknowledge that it was short-sighted of the Council to reject the Labour Group's budget in 2015/16 which would not have accepted the proposed cuts that were then carried out to the Public Protection Team which has now cost us a lot of money to put back?

**Reply:**

No, I do not accept that is the case. Previously, the Food Standards Agency was very flexible and understanding of the situation that local Councils found themselves in. However, when they came to see us recently they had completely changed the goal-posts and we were not able to foresee that. It was a change of stance overnight so I do not accept that proposition.

**15. From Councillor Ian Dunn to the Portfolio Holder for Care Services**

What will be the impact on the Council's Care Services of the inclusion of the South East London STP footprint in the NHS's Capped Expenditure Process.

**Reply:**

As a member of the 'Our Healthier South East London' Joint Health Overview and Scrutiny Committee, Councillor Dunn will appreciate that detail relating to the Capped Expenditure Process remains scant at present. As well, that the whole process remains very much work in progress. As such, it is impossible to quantify what level of impact the process might or might not have on Care Services at this point in time.

I would however very much hope, with the agreement of the Chairman, and expect to have received a fuller briefing from CCG colleagues regarding their intentions at the time of the November's HOSC - that will enable us all to understand the anticipated impact more fully.



**Supplementary Question:**

What sort of contingency plans might we need if part of the capped expenditure process involved some sort of reduction in the CCG's contribution to the Better Care Fund?

**Reply:**

I would anticipate that we would be looking to use the Better Care Fund and the Improved Better Care Fund to underpin any extra work that the Care Services Portfolio needs to undertake.

**16. From Councillor Vanessa Allen to the Portfolio Holder for Renewal & Recreation**

Will the Portfolio Holder join with me in congratulating all of the organisers and volunteers who enabled Bromley to participate in London Open House for the first time in several years?

**Reply:**

The borough has a rich and diverse collection of heritage assets and it was fitting that the Council did participate in London Open House this year to offer our residents an opportunity to visit and appreciate these architectural gems such as, for example, the Crystal Palace subway, Orpington Priory and Bromley and Shepard's Colleges. As far as the latter is concerned, I happen to be a trustee of Bromley and Shepards Colleges and I chair the fabric committee which has a meeting at 8.30am tomorrow morning I will pass on the congratulations to them.

**Supplementary Question:**

I would like to request that we try to stay engaged with Open House (or Open City, as it is re-branding itself) in future years, and encourage more modern buildings as well as the older ones to be participating.

**Reply:**

I share that view and will do my best to ensure that this happens. We will have to see what more modern buildings we can find.

**17. From Councillor Peter Fookes to the Portfolio Holder for Education, Children and Families**

Is he aware of the considerable parental concerns about the management of St Olave's School?

**Reply:**

Yes.

**Supplementary Question:**

I think parents that were in the public gallery earlier on rather got the impression that Bromley was abdicating its responsibilities. Perhaps at the next meeting of the Education Select Committee on 17<sup>th</sup> October we could have a report on the situation at St Olave's?

**Reply:**

It is not for a Portfolio Holder to dictate what is on a Chairman's agenda for a select committee meeting. I think it is poor to suggest that Bromley has in any way abdicated its responsibilities.

**COUNCIL MEETING**

**25<sup>TH</sup> SEPTEMBER 2017**

**QUESTIONS FOR WRITTEN REPLY FROM MEMBERS OF THE COUNCIL**

**1. From Cllr Nicholas Bennett JP to the Portfolio Holder for Resources**

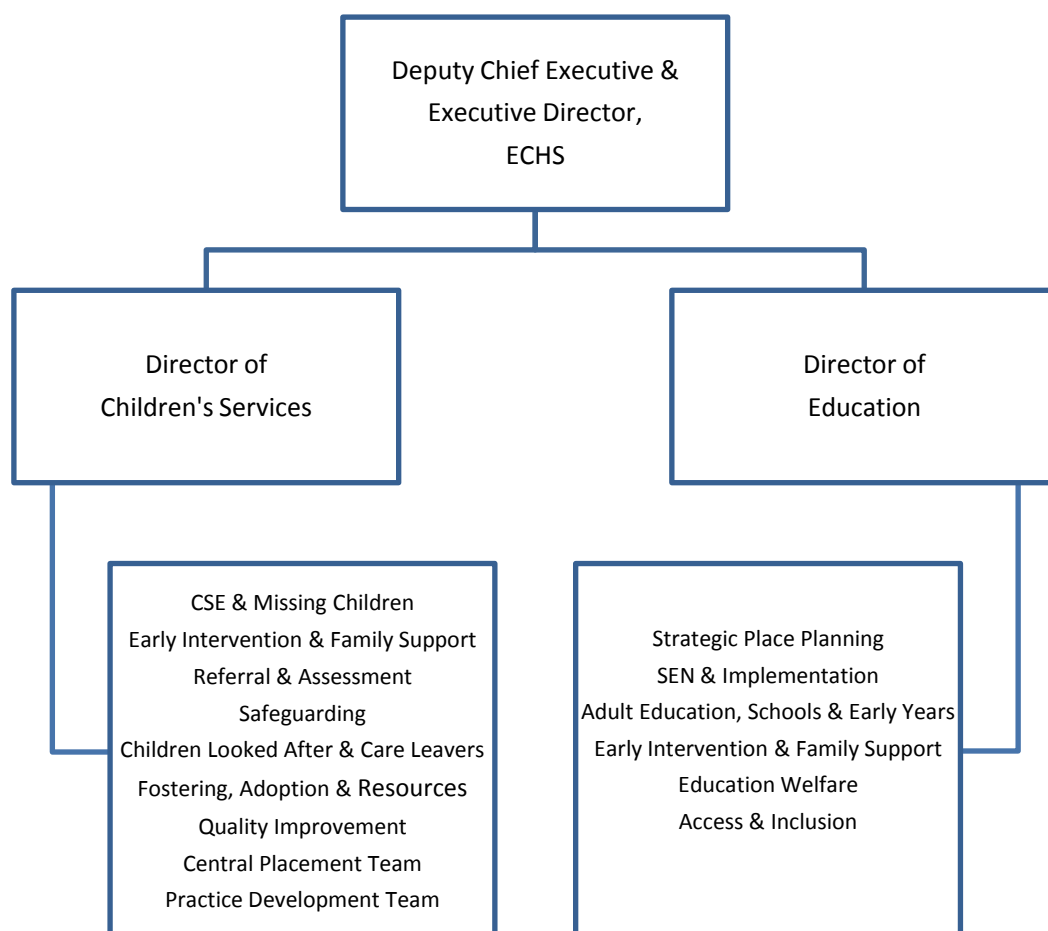
How many claims for injury as a result of detritus from street trees have been settled in the past three years?

**Reply:**

No such claims have been settled (out of a total of five claims).

**2. From Councillor Nicholas Bennett JP to the Portfolio Holder for Education, Children and Families**

If he will set out the management structure and responsibilities of his department from October 1<sup>st</sup>?



**3. From Councillor Ian Dunn to the Portfolio Holder for the Environment**

Please provide the number of “missed collection” reports for refuse and recycling collection received for the year April 2016 – March 2017, broken down by business/residential and by ward.

**Reply:**

Please find attached data as requested. ([Appendix 1](#))

**4. From Councillor Ian Dunn to the Portfolio Holder for Resources**

Please provide the cost of preventing an officer of the Council from having to be a witness in the criminal case against Olajide Sholanka heard in Kingston Crown Court in 2016.

**Reply:**

The Council's was served with a witness summons by the defendant Olajide Sholanka requiring the attendance of the Director of Environmental Services and the production to the defence of a report commissioned by the Council on aspects of its parking contract as part of a criminal trial involving allegations of fraud and possession of an identity document with improper intent. It was considered that the application for the witness summons was misconceived and as no compromise could be reached the Council in these circumstances had to resist the summons – the hearing took place in 2015 not 2016.. On hearing submissions from all parties the Judge ordered that the witness summons should be withdrawn. The Judge also agreed that the report should not be disclosed to the defendant but accepted that a heavily redacted version should be provided to the Crown Prosecution Service. The brief fee for Counsel to attend the Crown Court was £900 including VAT. It is unfortunate that despite the Council successfully resisting the application for a witness summons costs were not recoverable.

**5. From Councillor Ian Dunn to the Portfolio Holder for Resources**

Please provide a breakdown of the Council's use of Agency Staff, showing person days and net cost, by month from April 2016 to as recently as figures are available, broken down by Adult Social Care, Children's Social Care, other EHCS, ECS and other. Please also show the number of employees in FTE with the same breakdown.

**Reply:**

See attached data ([Appendix 2](#)).

**6. From Councillor Angela Wilkins to the Portfolio Holder for Resources**

Please provide details of the concerns registered by the member of the public in relation to the Council's annual accounts 2016-17.

**Reply:**

Under the Local Audit & Accountability Act 2014, Accounts & Audit Regulations 2015 and Accounts and Audit Regulations (Public Access to Documents) Act 2017 any interested person or journalist has a legal right to inspect the annual accounts and related documents of a local authority during the inspection period. Local electors

also have further rights, not open to interested persons or journalists, to ask the auditor questions about the accounts and to object to them.

A registered elector has raised two objections to the 2016/17 accounts:

- **Waste Management and Street Cleansing Services**  
concerns regarding the procurement, management and monitoring of waste collection, waste management and street cleansing contracts.
- **Trade Waste Collection Service**  
concerns regarding the level of charging for green garden waste collection and the legality of charging and accounting arrangements for trade waste services generally.

In both cases, the elector has asked the external auditor to apply to the courts for a declaration that an item of account is unlawful and to issue a public interest report.

The documents submitted to the auditor are lengthy and complex setting out a range of matters and a great deal of detail. There are three separate documents with 61 pages in total (25 pages, 14 pages and 22 pages).

The auditor will firstly need to determine whether or not it is a valid objection and then decide which elements of the objection to accept for consideration. Due to the length and complexity of the documents submitted, the auditor is still considering the points raised and is yet to inform the authority of his decision. If the objection is accepted the auditor will decide on appropriate next steps.

## **7. From Councillor Angela Wilkins to the Leader of the Council**

When will the recent internal audit into waste services be published on the council's website? Please provide an update on implementation of the 15 priority 1 recommendations contained in that audit.

### **Reply:**

Audit reports are not published where there is a material risk that publication could damage the council's commercial interests or lead to the unlawful disclosure of personal information.

As the questioner is very well aware, the position on publication is kept under review by the Audit Sub-committee on which her colleague Cllr Dunn sits.

All progress on the Priority 1 recommendations will of course be reported to that Committee at the appropriate time.

## **8. From Councillor Angela Wilkins to the Portfolio Holder for Environment**

Some residents in Crystal Palace are having to phone the council every week because their recycling bins are not being emptied. Customer Services tell them this is because they are not putting their bins out on the pavement. However the Council's website says: "Your waste needs to be ... placed at the front of your

property within arm's reach of the pavement (edge of curtilage) but not on it.". When challenged on this, Customer Services insist they are correct and the website wrong. Who has got it right here? How does such contradictory advice to the public come about? And given that each 'missed bin' report results in a one-off visit to rectify the position, and that the contractor generally has to pay for this, does the Portfolio Holder feel obliged to compensate Veolia for causing such incidents by providing misinformation to the public?

**Reply:**

Customer Services advise customers to place their waste at the edge of curtilage, at arm's length of the pavement, but not on it, exactly as it states on the website.

In cases where this hasn't happened, Customer Services would welcome the opportunity of investigating why, if full details of the address and date/time of the contact are provided.

**9. From Councillor Peter Fookes to the Portfolio Holder for the Environment**

What is the backlog of trees in need of pruning?

**Reply:**

742 works on outstanding orders with the contractors. 1032 works recommended from condition surveys to be ordered before March 2018.

**10. From Councillor Peter Fookes to the Portfolio Holder for the Environment**

How many mobile cameras are currently available to deal with grot spots?

**Reply:**

Bromley CCTV has 14 mobile units of which 8 are being used in Cotmandene, Locksbottom, Kimmeridge and Tillingbourne on a semi-permanent basis.

The remaining six are being deployed for fly-tipping (2) at the moment and there are current bids for two for ASB through the ASB Officer, due to go out shortly and the last two are also due to go out shortly, to be installed in Whitehall Recreation ground/Blenheim Road at the request of the Ward Councillors.

**11. From Councillor Peter Fookes to the Portfolio Holder for the Environment**

When will works to Penge High Street restart and finish?

**Reply:**

The original works in Penge High Street consisted of three elements:

1. TfL funded congestion relief / bus accessibility scheme, involving realigning kerb lines and replacing the footways in Yorkstone paving throughout the High Street.
2. Environmental improvements to Arpley & Empire Squares
3. TfL funded congestion relief scheme at Green Lane junction, including new traffic signals

Phase one has been completed, other than snagging works. Phase 2 is due to commence in mid-October once paving materials have been delivered, and completed by the end of January 2018. The programme for phase 3 is dependent on TfL for the signal works, but likely to start in January 2018.

## Appendix 1 (question 3)

### Commercial

	Bulk Domestic	Charity	Commercial	Internal	School Academy	School Internal	School Paper	Grand Total
Bickley	35		55	3	3	3	4	103
Biggin Hill			4					4
Bromley Common and Keston	1		22		2	2	3	30
Bromley Town	15		68	13			1	97
Chelsfield and Pratts Bottom	4		61		4	3	1	73
Chislehurst	24	7	69			3	1	104
Clock House	13		41			4	4	62
Copers Cope	23		87			8		118
Cray Valley East	12		49			3	2	66
Cray Valley West	4		39		12	5	5	65
Crystal Palace	13		15					28
Darwin	2		22				4	28
Farnborough and Crofton			27		3	2	2	34
Hayes and Coney Hall	3		11	3	1		5	23
Kelsey and Eden Park	12		62		8	6	1	89
Mottingham and Chislehurst North	9		39	18		9	5	80
Orpington	16		34	2	4	3	1	60
Penge and Cator	16	2	91	3	1	2	8	123
Petts Wood and Knoll	3		20					23
Plaistow and Sundridge	17		31	1		5	4	58
Shortlands	4							4
West Wickham	4		8					12
(blank)			3					3
Grand Total	230	9	858	43	38	58	51	1287

Reported missed collection total April 2016 - March 2017



# Domestic

	Domestic Non-Recyclable Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeable Service)	Mixed Recycling (Cans, Plastics & Glass Recycling)	Paper & Organics	Paper (Paper & Cardboard)	Grand Total
Bickley	728	376	257	318	49	296	2024
Biggin Hill	244	230	116	171	14	150	925
Bromley Common and Keston	373	283	243	243	12	185	1339
Bromley Town	623	362	162	346	22	258	1772
Chelsfield and Pratts Bottom	378	324	199	219	22	177	1319
Chislehurst	594	515	353	539	42	403	2446
Clock House	796	304	123	299	9	238	1769
Copers Cope	1164	341	260	370	17	381	2533
Cray Valley East	470	240	156	228	9	146	1249
Cray Valley West	462	248	282	248	15	175	1430
Crystal Palace	639	327	131	518	12	406	2033
Darwin	122	105	92	124	6	89	538
Farnborough and Crofton	417	377	220	256	26	235	1531
Hayes and Coney Hall	408	229	262	182	5	151	1237
Kelsey and Eden Park	790	418	418	339	17	318	2300
Mottingham and Chislehurst North	345	169	101	181	10	110	916
Orpington	287	277	227	201	15	159	1166
Penge and Cator	891	329	141	327	15	288	1991
Petts Wood and Knoll	283	254	214	169	29	163	1112
Plaistow and Sundridge	512	276	286	281	17	265	1637
Shortlands	322	227	285	209	16	169	1228
West Wickham	355	227	177	156	22	120	1057
(blank)	21	15	8	14	0	10	68
Grand Total	11224	6453	4713	5938	401	4892	33621

Reported missed collection total April 2016 - March 2017

**April 2016**

	Domestic Non- Recyclable Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeable Service)	Mixed Recycling (Cans, Plastics & Glass Recycling)	Paper & Organics	Paper (Paper & Cardboard)	Grand Total
Bickley	90	30	42	29	12	8	211
Biggin Hill	28	12	8	14	7	21	90
Bromley Common and Keston	28	14	13	20	5	5	85
Bromley Town	53	12	16	18	3	8	110
Chelsfield and Pratts Bottom	26	17	28	24	3	9	107
Chislehurst	81	39	58	64	19	21	282
Clock House	77	10	10	22	2	13	134
Copers Cope	75	17	14	23	6	15	150
Cray Valley East	42	24	17	26	3	6	118
Cray Valley West	63	16	24	28	6	3	140
Crystal Palace	58	10	10	21	3	16	118
Darwin	12	5	6	6	2	4	35
Farnborough and Crofton	35	22	20	27	12	11	127
Hayes and Coney Hall	47	11	34	9	1	4	106
Kelsey and Eden Park	45	18	29	21	13	6	132
Mottingham and Chislehurst North	40	9	18	9	4	6	86
Orpington	28	20	45	19	6	7	125
Penge and Cator	93	21	15	15	5	12	161
Petts Wood and Knoll	29	13	25	16	5	13	101
Plaistow and Sundridge	67	13	45	22	9	15	171
Shortlands	30	15	59	11	3	10	128
West Wickham	40	17	16	13	8	7	101
(blank)	3	1		1			5
Grand Total	1090	366	552	458	137	220	2823

	Domestic Non- Recyclabl e Waste	Food Wast e	Green Garden Waste (Pre-Paid - Chargeab le Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper & Organic s	Paper (Paper & Cardboar d)	Gran d Total
Bickley	105	24	21	41	27	19	237
Biggin Hill	19	18	11	17	4	7	76
Bromley Common and Keston	32	20	15	24	6	5	102
Bromley Town	53	32	16	20	18	7	146
Chelsfield and Pratts Bottom	27	28	24	18	17	8	122
Chislehurst	52	35	32	60	19	26	224
Clock House	106	16	18	16	6	8	170
Copers Cope	163	23	39	32	8	20	285
Cray Valley East	48	14	18	11	5	9	105
Cray Valley West	54	14	67	27	9	8	179
Crystal Palace	73	11	21	40	5	23	173
Darwin	11	6	12	19	3	7	58
Farnborough and Crofton	32	26	18	32	12	9	129
Hayes and Coney Hall	30	15	31	20	4	10	110
Kelsey and Eden Park	110	23	161	28	4	11	337
Mottingham and Chislehurst North	34	8	21	17	4	2	86
Orpington	19	20	33	14	9	6	101
Penge and Cator	95	17	27	33	9	22	203
Petts Wood and Knoll	21	14	24	13	17	13	102
Plaistow and Sundridge	60	12	44	21	6	6	149
Shortlands	35	11	64	27	13	17	167
West Wickham	33	17	36	22	12	9	129
(blank)		2					2
Grand Total	1212	406	753	552	217	252	3392

	Domestic Non- Recyclable Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeable Service)	Mixed Recycling (Cans, Plastics & Glass Recycling)	Paper & Organics	Paper (Paper & Cardboard)	Grand Total
Bickley	91	29	33	31	10	43	237
Biggin Hill	29	14	18	15	3	13	92
Bromley Common and Keston	49	26	30	23	1	15	144
Bromley Town	46	43	26	59	1	28	203
Chelsfield and Pratts Bottom	51	21	25	15	2	19	133
Chislehurst	75	62	31	49	4	58	279
Clock House	107	22	26	28	1	14	198
Copers Cope	164	48	32	50	3	40	337
Cray Valley East	35	24	15	16	1	12	103
Cray Valley West	49	28	38	28		11	154
Crystal Palace	57	32	24	60	4	36	213
Darwin	17	14	7	30	1	8	77
Farnborough and Crofton	42	28	20	24	2	19	135
Hayes and Coney Hall	32	30	38	35		6	141
Kelsey and Eden Park	121	51	46	45		37	300
Mottingham and Chislehurst North	33	12	15	15	2	10	87
Orpington	33	23	22	22		13	113
Penge and Cator	101	37	11	37	1	33	220
Petts Wood and Knoll	38	23	18	16	7	16	118
Plaistow and Sundridge	50	20	30	25	2	22	149
Shortlands	46	29	22	41		16	154
West Wickham	41	29	18	24	2	12	126
(blank)	3	1	3	3		1	11
Grand Total	1310	646	548	691	47	482	3724

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	56	33	23	31	26	169
Biggin Hill	20	17	18	17	5	77
Bromley Common and Keston	25	35	36	27	17	140
Bromley Town	72	27	11	25	21	156
Chelsfield and Pratts Bottom	36	28	20	22	14	120
Chislehurst	71	60	28	43	52	254
Clock House	59	32	15	30	19	155
Copers Cope	135	42	20	41	28	266
Cray Valley East	37	23	11	23	9	103
Cray Valley West	38	26	41	15	20	140
Crystal Palace	49	36	11	53	39	188
Darwin	12	7	5	5	3	32
Farnborough and Crofton	43	34	29	18	22	146
Hayes and Coney Hall	24	24	20	17	12	97
Kelsey and Eden Park	61	42	31	33	29	196
Mottingham and Chislehurst North	27	13	11	26	8	85
Orpington	29	23	14	14	14	94
Penge and Cator	73	35	11	32	20	171
Petts Wood and Knoll	25	21	21	19	10	96
Plaistow and Sundridge	57	28	18	27	25	155
Shortlands	20	20	27	11	13	91
West Wickham	34	22	12	9	8	85
(blank)	3	3	3	1	1	11
Grand Total	1006	631	436	539	415	3027

**August 2016**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	50	35	31	30	26	172
Biggin Hill	20	25	12	13	15	85
Bromley Common and Keston	36	43	31	20	31	161
Bromley Town	62	33	11	23	28	157
Chelsfield and Pratts Bottom	33	38	17	20	12	120
Chislehurst	43	45	26	41	33	188
Clock House	58	35	16	32	22	163
Copers Cope	83	36	27	40	36	222
Cray Valley East	30	18	15	19	7	89
Cray Valley West	37	26	18	17	13	111
Crystal Palace	59	57	10	70	42	238
Darwin	11	22	15	16	23	87
Farnborough and Crofton	28	28	24	24	16	120
Hayes and Coney Hall	49	32	22	18	25	146
Kelsey and Eden Park	59	54	22	33	28	196
Mottingham and Chislehurst North	27	17	10	21	5	80
Orpington	20	25	10	18	18	91
Penge and Cator	66	46	14	46	33	205
Petts Wood and Knoll	28	27	19	11	13	98
Plaistow and Sundridge	47	43	39	29	26	184
Shortlands	22	33	18	17	25	115
West Wickham	25	31	11	16	11	94
(blank)	1	1	1	3		6
Grand Total	894	750	419	577	488	3128

**September 2016**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	43	26	18	25	21	133
Biggin Hill	16	16	7	8	13	60
Bromley Common and Keston	54	27	28	25	14	148
Bromley Town	35	26	14	21	20	116
Chelsfield and Pratts Bottom	32	31	17	15	18	113
Chislehurst	20	56	31	66	24	197
Clock House	73	35	9	26	30	173
Copers Cope	133	37	20	28	45	263
Cray Valley East	40	25	18	18	22	123
Cray Valley West	37	34	22	25	14	132
Crystal Palace	69	33	3	36	38	179
Darwin	11	10	5	10	8	44
Farnborough and Crofton	34	43	20	26	22	145
Hayes and Coney Hall	37	21	20	13	17	108
Kelsey and Eden Park	73	48	13	37	39	210
Mottingham and Chislehurst North	17	23	6	11	8	65
Orpington	27	30	15	16	18	106
Penge and Cator	85	37	11	27	23	183
Petts Wood and Knoll	22	19	27	16	13	97
Plaistow and Sundridge	51	36	7	27	32	153
Shortlands	36	25	16	9	13	99
West Wickham	37	33	19	14	11	114
(blank)	2		1	1		4
Grand Total	984	671	347	500	463	2965

**October 2016**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	38	24	19	26	23	130
Biggin Hill	23	18	9	15	10	75
Bromley Common and Keston	31	20	14	18	10	93
Bromley Town	46	26	26	23	17	138
Chelsfield and Pratts Bottom	26	20	8	16	10	80
Chislehurst	43	23	17	30	21	134
Clock House	60	35	5	21	21	142
Copers Cope	73	29	26	23	32	183
Cray Valley East	38	13	12	17	6	86
Cray Valley West	27	17	5	10	17	76
Crystal Palace	63	25	6	50	44	188
Darwin	6	5	1	5		17
Farnborough and Crofton	37	28	14	18	11	108
Hayes and Coney Hall	39	10	12	10	10	81
Kelsey and Eden Park	69	44	14	21	36	184
Mottingham and Chislehurst North	15	5	4	8	6	38
Orpington	38	14	11	20	8	91
Penge and Cator	69	25	9	22	22	147
Petts Wood and Knoll	20	20	15	18	16	89
Plaistow and Sundridge	21	20	13	19	27	100
Shortlands	24	11	13	14	7	69
West Wickham	30	18	10	9	11	78
(blank)	5			1		6
Grand Total	841	450	263	414	365	2333



**November 2016**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	50	35	13	21	19	138
Biggin Hill	12	11	14	7	12	56
Bromley Common and Keston	22	18	18	16	11	85
Bromley Town	54	34	8	32	25	152
Chelsfield and Pratts Bottom	30	9	13	12	9	73
Chislehurst	41	34	34	34	35	178
Clock House	53	30	4	21	22	130
Copers Cope	72	15	19	24	23	153
Cray Valley East	41	25	7	20	11	104
Cray Valley West	43	18	16	20	18	115
Crystal Palace	41	14	11	26	28	120
Darwin	11	7	16	6	5	45
Farnborough and Crofton	30	37	15	17	24	123
Hayes and Coney Hall	49	15	24	14	10	112
Kelsey and Eden Park	61	25	32	32	23	173
Mottingham and Chislehurst North	38	15	5	18	22	98
Orpington	22	19	14	10	13	78
Penge and Cator	79	33	11	21	28	172
Petts Wood and Knoll	29	25	14	11	30	109
Plaistow and Sundridge	36	17	20	19	30	122
Shortlands	12	14	13	22	12	73
West Wickham	34	12	11	13	12	82
(blank)	1			1	1	3
Grand Total	861	462	332	417	423	2495

**December 2016**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	86	41	11	19	41	198
Biggin Hill	29	23	2	12	12	78
Bromley Common and Keston	26	28	15	23	20	112
Bromley Town	44	40	8	32	28	152
Chelsfield and Pratts Bottom	38	45	18	21	23	145
Chislehurst	64	64	22	56	43	249
Clock House	61	16	6	17	12	112
Copers Cope	53	18	12	23	26	132
Cray Valley East	58	22	4	22	21	127
Cray Valley West	36	19	8	13	22	98
Crystal Palace	48	22		32	28	130
Darwin	13	10	5	8	10	46
Farnborough and Crofton	35	45	16	20	30	146
Hayes and Coney Hall	17	15	22	11	9	74
Kelsey and Eden Park	41	26	22	31	17	137
Mottingham and Chislehurst North	38	15	2	11	20	86
Orpington	25	34	19	20	18	116
Penge and Cator	43	15	4	19	16	97
Petts Wood and Knoll	23	24	9	10	12	78
Plaistow and Sundridge	36	29	27	15	28	135
Shortlands	17	12	12	12	12	65
West Wickham	17	19	14	11	14	75
(blank)	1	3		1	3	8
Grand Total	849	585	258	439	465	2596

**January 2017**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	42	30	11	28	32	143
Biggin Hill	28	41	5	26	23	123
Bromley Common and Keston	27	21	15	10	32	105
Bromley Town	60	41	6	42	35	184
Chelsfield and Pratts Bottom	46	32	13	13	22	126
Chislehurst	31	44	25	41	34	175
Clock House	41	23	3	29	28	124
Copers Cope	55	21	11	36	41	164
Cray Valley East	33	23	8	18	13	95
Cray Valley West	32	25	7	22	17	103
Crystal Palace	53	34	9	58	42	196
Darwin	6	6	5	9	7	33
Farnborough and Crofton	45	27	25	11	32	140
Hayes and Coney Hall	36	23	8	12	21	100
Kelsey and Eden Park	43	30	12	14	38	137
Mottingham and Chislehurst North	26	16	2	21	9	74
Orpington	8	31	15	20	18	92
Penge and Cator	76	27	7	20	39	169
Petts Wood and Knoll	18	24	6	14	7	69
Plaistow and Sundridge	27	20	13	34	18	112
Shortlands	38	28	13	20	19	118
West Wickham	17	11	10	9	8	55
(blank)	1	3		1	3	8
Grand Total	789	581	229	508	538	2645

**February 2017**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	39	35	9	16	14	113
Biggin Hill	8	16	4	14	6	48
Bromley Common and Keston	21	15	9	19	15	79
Bromley Town	50	22	5	17	18	112
Chelsfield and Pratts Bottom	16	22	4	18	11	71
Chislehurst	30	27	23	18	31	129
Clock House	51	25	6	21	21	124
Copers Cope	76	24	10	26	36	172
Cray Valley East	30	14	5	18	14	81
Cray Valley West	23	8	9	17	17	74
Crystal Palace	33	32	11	37	43	156
Darwin	7	3	3	3	6	22
Farnborough and Crofton	30	29	10	17	14	100
Hayes and Coney Hall	23	16	11	15	10	75
Kelsey and Eden Park	38	24	12	24	24	122
Mottingham and Chislehurst North	21	18		11	7	57
Orpington	10	11	4	10	9	44
Penge and Cator	57	21	10	24	15	127
Petts Wood and Knoll	14	16	10	11	8	59
Plaistow and Sundridge	23	15	8	15	14	75
Shortlands	24	15	9	13	10	71
West Wickham	25	13	8	12	7	65
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Grand Total	649	422	180	377	350	1978

**March 2017**

	Domestic Non- Recyclabl e Waste	Food Waste	Green Garden Waste (Pre-Paid - Chargeabl e Service)	Mixed Recyclin g (Cans, Plastics & Glass Recyclin g)	Paper (Paper & Cardboar d)	Grand Total
Bickley	38	34	26	21	24	143
Biggin Hill	12	19	8	13	13	65
Bromley Common and Keston	22	16	19	18	10	85
Bromley Town	48	26	15	34	23	146
Chelsfield and Pratts Bottom	17	33	12	25	22	109
Chislehurst	43	26	26	37	25	157
Clock House	50	25	5	36	28	144
Copers Cope	82	31	30	24	39	206
Cray Valley East	38	15	26	20	16	115
Cray Valley West	23	17	27	26	15	108
Crystal Palace	36	21	15	35	27	134
Darwin	5	10	12	7	8	42
Farnborough and Crofton	26	30	9	22	25	112
Hayes and Coney Hall	25	17	20	8	17	87
Kelsey and Eden Park	69	33	24	20	30	176
Mottingham and Chislehurst North	29	18	7	13	7	74
Orpington	28	27	25	18	17	115
Penge and Cator	54	15	11	31	25	136
Petts Wood and Knoll	16	28	26	14	12	96
Plaistow and Sundridge	37	23	22	28	22	132
Shortlands	18	14	19	12	15	78
West Wickham	22	5	12	4	10	53
(blank)	1				1	2
Grand Total	739	483	396	466	431	2515

## Appendix 2 (Question 5)

	Net	Vat	Gross
Totals 15/16	11,558,214.23	2,311,641.22	13,869,855.45
Totals 16/17	5,753,316.86	1,150,663.32	6,903,980.18
Forecast Outturn 16/17	13,807,960.46	2,761,591.97	16,569,552.43

Year	Month	Financial Year	Net	Vat	Gross	Total Hours	Days (calculated)
2016	April	16/17	671,762.28	134,352.38	806,114.66	28,136.75	3,907.88
2016	May	16/17	838,982.76	167,796.86	1,006,779.62	33,965.50	4,717.43
2016	June	16/17	873,544.85	174,708.87	1,048,253.72	34,321.00	4,766.81
2016	July	16/17	724,713.17	144,942.57	869,655.74	28,557.50	3,966.32
2016	August	16/17	732,914.36	146,582.60	879,496.96	28,813.75	4,001.91
2016	September	16/17	1,081,980.52	216,396.06	1,298,376.58	41,161.25	5,716.84
2016	October	16/17	950,619.79	190,123.78	1,140,743.57	36,797.00	5,110.69
2016	November	16/17	1,041,458.12	208,291.36	1,249,749.48	37,886.75	5,262.05
2016	December	16/17	1,044,604.18	208,920.55	1,253,524.73	38,642.75	5,367.05
2017	January	16/17	1,061,919.83	212,384.00	1,274,303.83	37,020.75	5,141.77
2017	February	16/17	1,027,562.24	205,512.33	1,233,074.57	36,988.00	5,137.22
2017	March	16/17	1,508,152.13	301,629.86	1,809,781.99	50,585.75	7,025.80
2017	April	17/18	1,011,410.23	202,282.06	1,213,692.29	34,057.00	4,730.14
2017	May	17/18	999,676.05	199,935.25	1,199,611.30	34,850.75	4,840.38
2017	June	17/18	1,453,673.30	290,734.64	1,744,407.94	45,970.25	6,384.76
2017	July	17/18	1,230,254.50	246,050.83	1,476,305.33	39,048.25	5,423.37
2017	August	17/18	1,058,302.78	211,660.54	1,269,963.32	32,909.00	4,570.69

YearVal	MonthVal	MonthNameVal	GroupName	CalcDays	Hours	CalcAvgDailyRate	netAmt	vatAmt	grossAmt	Employee FTE as at last day of month
2016	4	April	1. Adult Social Care	1,727.95	12,441.25	161.98	279,896.72	55,979.43	335,876.15	220.69
2016	4	April	2. Childrens Social Care	837.47	6,029.75	184.74	154,713.88	30,942.64	185,656.52	251.74
2016	4	April	3. Other ECHS	450.21	3,241.50	217.20	97,785.60	19,557.19	117,342.79	370.74
2016	4	April	4. ECS	604.31	4,351.00	133.23	80,512.28	16,102.38	96,614.66	384.83
2016	4	April	5. Other	287.95	2,073.25	204.39	58,853.80	11,770.74	70,624.54	216.69
2016	5	May	1. Adult Social Care	2,139.72	15,406.00	163.69	350,256.06	70,051.08	420,307.14	216.41
2016	5	May	2. Childrens Social Care	1,030.42	7,419.00	193.58	199,464.23	39,892.84	239,357.07	246.90
2016	5	May	3. Other ECHS	524.05	3,773.13	223.32	117,027.39	23,405.45	140,432.84	367.71
2016	5	May	4. ECS	749.62	5,397.25	138.69	103,962.22	20,792.91	124,755.13	381.94
2016	5	May	5. Other	273.63	1,970.13	249.51	68,272.86	13,654.58	81,927.44	216.34
2016	6	June	1. Adult Social Care	1,858.02	13,377.75	176.62	328,157.36	65,631.45	393,788.81	216.23
2016	6	June	2. Childrens Social Care	1,124.69	8,097.75	203.87	229,291.31	45,858.26	275,149.57	244.45
2016	6	June	3. Other ECHS	572.48	4,121.88	221.98	127,078.63	25,415.67	152,494.30	367.15
2016	6	June	4. ECS	765.52	5,511.75	141.87	108,600.76	21,720.16	130,320.92	376.83
2016	6	June	5. Other	446.09	3,211.88	180.27	80,416.79	16,083.34	96,500.13	219.84
2016	7	July	1. Adult Social Care	1,459.79	10,510.50	173.05	252,616.07	50,523.27	303,139.34	213.4
2016	7	July	2. Childrens Social Care	1,037.43	7,469.50	203.53	211,151.83	42,230.28	253,382.11	241.87
2016	7	July	3. Other ECHS	461.96	3,326.13	215.39	99,502.15	19,900.37	119,402.51	357.07
2016	7	July	4. ECS	606.15	4,364.25	137.60	83,404.20	16,680.83	100,085.03	372.54
2016	7	July	5. Other	400.99	2,887.13	194.62	78,038.93	15,607.83	93,646.75	218.34
2016	8	August	1. Adult Social Care	1,375.87	9,906.25	166.49	229,065.99	45,813.12	274,879.11	211.06
2016	8	August	2. Childrens Social Care	1,247.64	8,983.00	216.02	269,512.92	53,902.42	323,415.34	235.87
2016	8	August	3. Other ECHS	395.64	2,848.63	225.05	89,040.41	17,808.02	106,848.43	348.23
2016	8	August	4. ECS	602.64	4,339.00	135.43	81,615.95	16,323.22	97,939.17	368.59
2016	8	August	5. Other	376.45	2,710.48	168.40	63,393.70	12,678.74	76,072.45	215.97
2016	8	August	6. Unknown	3.67	26.40	77.83	285.39	57.08	342.46	
2016	9	September	1. Adult Social Care	2,040.14	14,689.00	166.77	340,227.42	68,045.53	408,272.95	212.65
2016	9	September	2. Childrens Social Care	1,893.78	13,635.25	221.97	420,356.14	84,071.14	504,427.28	235.19
2016	9	September	3. Other ECHS	540.89	3,894.38	208.83	112,951.27	22,590.25	135,541.52	335.66
2016	9	September	4. ECS	753.40	5,424.50	143.66	108,230.78	21,646.10	129,876.88	365.08
2016	9	September	5. Other	484.18	3,486.13	204.55	99,041.79	19,808.43	118,850.22	217.29
2016	9	September	6. Unknown	4.44	32.00	263.95	1,173.12	234.62	1,407.74	

2016	10	October	1. Adult Social Care	1,804.48	12,992.25	163.92	295,791.42	59,158.30	354,949.72	211.76
2016	10	October	2. Childrens Social Care	1,774.06	12,773.25	210.43	373,321.29	74,664.09	447,985.38	235.85
2016	10	October	3. Other ECHS	465.38	3,350.75	227.90	106,059.49	21,211.88	127,271.37	336.26
2016	10	October	4. ECS	657.57	4,734.50	145.14	95,437.24	19,087.36	114,524.60	361.71
2016	10	October	5. Other	366.49	2,638.75	194.69	71,354.17	14,270.91	85,625.08	189.61
2016	10	October	6. Unknown	42.71	307.50	202.68	8,656.19	1,731.24	10,387.43	
2016	11	November	1. Adult Social Care	1,676.11	12,068.00	184.58	309,381.76	61,876.31	371,258.07	213.29
2016	11	November	2. Childrens Social Care	1,938.13	13,954.50	220.49	427,340.02	85,467.82	512,807.84	235.35
2016	11	November	3. Other ECHS	550.73	3,965.25	203.63	112,143.76	22,428.72	134,572.48	336.62
2016	11	November	4. ECS	685.73	4,937.25	146.73	100,616.90	20,123.40	120,740.30	363.22
2016	11	November	5. Other	326.39	2,350.00	214.57	70,032.19	14,006.41	84,038.60	195.75
2016	11	November	6. Unknown	84.97	611.75	258.26	21,943.49	4,388.70	26,332.19	
2016	12	December	1. Adult Social Care	1,850.24	13,321.75	178.39	330,063.02	66,012.52	396,075.54	210.26
2016	12	December	2. Childrens Social Care	1,763.33	12,696.00	220.88	389,480.42	77,895.81	467,376.23	236.35
2016	12	December	3. Other ECHS	603.13	4,342.50	191.54	115,522.96	23,104.51	138,627.46	334.35
2016	12	December	4. ECS	668.61	4,814.00	150.01	100,301.60	20,060.38	120,361.98	354.25
2016	12	December	5. Other	332.99	2,397.50	216.07	71,948.86	14,389.81	86,338.66	196.75
2016	12	December	6. Unknown	148.75	1,071.00	250.67	37,287.33	7,457.53	44,744.86	
2017	1	January	1. Adult Social Care	1,765.97	12,715.00	175.48	309,898.66	61,979.86	371,878.52	206.76
2017	1	January	2. Childrens Social Care	1,811.49	13,042.75	256.01	463,763.16	92,752.48	556,515.64	236.22
2017	1	January	3. Other ECHS	479.24	3,450.50	191.85	91,941.37	18,388.26	110,329.63	336.54
2017	1	January	4. ECS	627.57	4,518.50	146.80	92,127.03	18,425.46	110,552.49	357.15
2017	1	January	5. Other	343.82	2,475.50	208.97	71,849.53	14,369.90	86,219.43	197.7
2017	1	January	6. Unknown	113.68	818.50	284.48	32,340.09	6,468.04	38,808.13	
2017	2	February	1. Adult Social Care	1,706.42	12,286.25	169.87	289,863.94	57,972.74	347,836.68	205.82
2017	2	February	2. Childrens Social Care	1,699.79	12,238.50	246.24	418,548.34	83,709.65	502,257.99	233.78
2017	2	February	3. Other ECHS	468.02	3,369.75	193.12	90,384.33	18,076.80	108,461.13	336.54
2017	2	February	4. ECS	689.20	4,962.25	147.84	101,890.40	20,378.15	122,268.55	356.34
2017	2	February	5. Other	350.76	2,525.50	202.79	71,131.41	14,226.25	85,357.66	194.12
2017	2	February	6. Unknown	223.02	1,605.75	249.95	55,743.82	11,148.75	66,892.57	
2017	3	March	1. Adult Social Care	2,520.80	18,149.75	167.85	423,124.45	84,624.78	507,749.23	205.82
2017	3	March	2. Childrens Social Care	2,479.90	17,855.25	283.19	702,288.44	140,457.28	842,745.72	235.32
2017	3	March	3. Other ECHS	636.94	4,586.00	214.78	136,804.86	27,360.91	164,165.77	335.74
2017	3	March	4. ECS	827.08	5,955.00	147.93	122,347.06	24,469.48	146,816.54	360.59
2017	3	March	5. Other	511.28	3,681.25	212.21	108,497.68	21,699.49	130,197.17	194.81
2017	3	March	6. Unknown	49.79	358.50	303.06	15,089.64	3,017.92	18,107.56	
2017	4	April	1. Adult Social Care	1,563.30	11,255.75	163.95	256,310.17	51,261.98	307,572.15	202.60



2017	4	April	2. Childrens Social Care	1,778.72	12,806.75	261.94	465,925.35	93,185.20	559,110.55	287.12
2017	4	April	3. Other ECHS	433.04	3,117.88	192.52	83,370.26	16,674.03	100,044.28	296.21
2017	4	April	4. ECS	552.15	3,975.50	141.53	78,147.16	15,629.37	93,776.53	357.24
2017	4	April	5. Other	287.55	2,070.38	178.01	51,185.88	10,237.19	61,423.06	186.83
2017	4	April	6. Unknown	115.38	830.75	662.77	76,471.42	15,294.30	91,765.72	
2017	5	May	1. Adult Social Care	1,639.03	11,801.00	163.78	268,432.22	53,686.46	322,118.68	204.22
2017	5	May	2. Childrens Social Care	1,716.15	12,356.25	270.56	464,322.30	92,864.52	557,186.82	296.51
2017	5	May	3. Other ECHS	476.13	3,428.13	213.93	101,858.38	20,371.66	122,230.04	297.68
2017	5	May	4. ECS	618.16	4,450.75	141.61	87,540.36	17,508.11	105,048.47	356.93
2017	5	May	5. Other	223.70	1,610.63	168.78	37,755.24	7,551.00	45,306.24	188.83
2017	5	May	6. Unknown	167.22	1,204.00	237.81	39,767.55	7,953.50	47,721.05	
2017	6	June	1. Adult Social Care	2,055.21	14,797.50	171.65	352,773.56	70,554.71	423,328.27	205.11
2017	6	June	2. Childrens Social Care	2,452.26	17,656.25	294.54	722,293.07	144,458.63	866,751.70	293.10
2017	6	June	3. Other ECHS	637.81	4,592.25	227.09	144,843.66	28,968.75	173,812.41	298.90
2017	6	June	4. ECS	625.35	4,502.50	140.04	87,574.06	17,514.85	105,088.91	353.77
2017	6	June	5. Other	195.80	1,409.75	184.89	36,200.27	7,240.02	43,440.29	189.05
2017	6	June	6. Unknown	418.33	3,012.00	262.92	109,988.68	21,997.69	131,986.37	
2017	7	July	1. Adult Social Care	1,681.04	12,103.50	172.98	290,781.42	58,156.19	348,937.61	203.41
2017	7	July	2. Childrens Social Care	2,140.14	15,409.00	301.59	645,448.71	129,089.74	774,538.45	303.72
2017	7	July	3. Other ECHS	545.76	3,929.50	213.89	116,732.89	23,346.55	140,079.43	297.31
2017	7	July	4. ECS	670.49	4,827.50	146.79	98,418.15	19,683.69	118,101.84	354.15
2017	7	July	5. Other	203.19	1,463.00	190.11	38,628.37	7,725.69	46,354.05	184.01
2017	7	July	6. Unknown	182.74	1,315.75	220.23	40,244.97	8,048.98	48,293.95	
2017	8	August	1. Adult Social Care	1,107.15	7,971.50	201.64	223,245.53	44,649.17	267,894.70	172.19
2017	8	August	2. Childrens Social Care	1,988.96	14,320.50	283.59	564,054.60	112,810.86	676,865.46	306.52
2017	8	August	3. Other ECHS	474.83	3,418.75	208.52	99,009.88	19,801.92	118,811.80	299.39
2017	8	August	4. ECS	561.39	4,042.00	153.79	86,333.46	17,266.73	103,600.19	350.54
2017	8	August	5. Other	208.09	1,498.25	172.21	35,834.42	7,166.89	43,001.31	181.01
2017	8	August	6. Unknown	230.28	1,658.00	216.37	49,824.89	9,964.97	59,789.86	

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Report No.  
CSD17163

London Borough of Bromley

## PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 11 December 2017

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

**Title:** COUNCIL TAX SUPPORT/REDUCTION SCHEME 2018/19

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At its meeting on 6<sup>th</sup> December 2017 the Executive will be considering the attached report proposing the adoption of the Council Tax Support/Reduction Scheme for 2018/19. Any changes proposed by the Executive will be reported before the Council meets.

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2. **RECOMMENDATIONS**

**Subject to the recommendation to be made by the Executive on 6<sup>th</sup> December 2017, Council is recommended to –**

**(1) Consider the responses to the public consultation exercise and the updated Impact assessment.**

**(2) Adopt the proposed Council Tax Support/Reduction Scheme for 2018/19 retaining the calculation of entitlement of working age claimants on 75% of the household's Council Tax liability (thereby the maximum assistance provided to a claimant of working age is 75% of his/her Council Tax liability) and varying the scheme to incorporate the changes that have been made to the Housing Benefit Regulations.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: See attached report
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: The estimated annual cost of the scheme with minimum 25% liability is £9.874m.
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Revenues, Benefits and Admin
  4. Total current budget for this head: £6.782m
  5. Source of funding: Government funding (although not separately identified in the grant notification.)
- 

## Personnel

1. Number of staff (current and additional): 8 + Liberata staff
  2. If from existing staff resources, number of staff hours: Once the scheme has been adopted the work will fall onto Liberata – taken into account in the costings provided.
- 

## Legal

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

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 15,870 (the current number of households in receipt of Council Tax support).
- 

## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

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**Decision Maker:** EXECUTIVE

**Date:** Wednesday 6 December 2017

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

**Title:** COUNCIL TAX SUPPORT/REDUCTION SCHEME 2018/19

**Contact Officer:** John Nightingale, Head of Revenues and Benefits  
Tel: 020 8313 4858 E-mail: john.nightingale@bromley.gov.uk

**Chief Officer:** Director of Finance

**Ward:** (All Wards);

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1. Reason for report

To advise Members of the results of the public consultation exercise and seek approval of the scheme to be forwarded to Full Council for approval.

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2. RECOMMENDATION(S)

Members are asked to:

2.1 a) consider the responses to the public consultation exercise.

2.2 b) consider the updated Impact assessment at Appendix 1.

2.3 c) consider that the Council Tax Support/Reduction scheme for 2018/19 retains the calculation of entitlement for working –age claimants on 75% of the households Council Tax liability. Thereby the maximum assistance provided to a claimant of working-age is 75% of his/her Council Tax liability.

2.4 d) consider a variation to the Council Tax Support/Reduction scheme to incorporate the changes that have been made to the Housing Benefit regulations (see paragraph 3.2.2).

Subject to the outcome of 2.1 to 2.4 above recommend to Council the Council Tax Support/Reduction scheme for 2018/19.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: 4611 households with children and 1701 working-age disabled claimants.
- 

### Corporate Policy

1. Policy Status: New Policy:
  2. BBB Priority: Not Applicable:
- 

### Financial

1. Cost of proposal: Estimated annual cost of the scheme with minimum 25 % liability is £9,874m
  2. Ongoing costs: Recurring cost
  3. Budget head/performance centre: Revenues, Benefits and Admin
  4. Total current budget for this head: £6.782m
  5. Source of funding: Government funding (although not separately identified in the grant notification)
- 

### Personnel

1. Number of staff (current and additional): 8 + Liberata staff
  2. If from existing staff resources, number of staff hours: Once the scheme is adopted the work will fall onto Liberata, taken into account in the costings provided.
- 

### Legal

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

### Procurement

1. Summary of Procurement Implications: N/A
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected):15,870 (the current number of households in receipt of Council Tax Support)
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

### **3. COMMENTARY**

#### **3.1 Introduction**

From the 01 April 2013 the national scheme for providing assistance with Council Tax (Council Tax benefit) ceased to exist and was replaced by a local authority designed scheme for those claimants of working-age. The scheme is known as Council Tax Support/Reduction (CTS/R). For those of pensionable age, the scheme continued to be based on national rules and regulations.

In the financial year 2013/14, working-age claimants were liable to pay a minimum of 8.5% of their Council Tax liability. For the financial years 2014/15 and 2015/16 working-age claimants were liable for a minimum of 19% of their Council Tax liability, before this increased to 25% in 2016/17.

At the 13<sup>th</sup> July meeting of the Executive and Resources PDS, Members agreed that a minimum liability of 25% be the Authority's preferred option for inclusion in the public consultation exercise, the results of which are contained later in the report.

Attached as Appendix 1 to this report is an updated Impact Assessment based on the re-adoption of a scheme retaining the minimum contribution for a working-age household at 25% of the Council Tax liability. Members are asked to note the content of the "assessment" when considering the third recommendation contained in this report.

It should be noted that the scheme needs to be adopted at Council by the 31<sup>st</sup> January prior to the financial year it relates to.

#### **Consultation**

3.2.1 At the 13 July 2017 meeting of the Executive & Resources PDS; it was agreed to undertake a consultation exercise, with the recommendation being that CTS/R continue to be based on 75% of the households Council Tax Liability. The consultation exercise closed on the 8 October 2017 by which time 1,125 responses had been received. Included in these were responses from the GLA which is attached as Appendix 2 and the following representative bodies:

- Age UK
- St Christopher's Bromley (Hospice)
- Zacchaeus 2000 Trust

Responses to the questions contained in the consultation exercise are entered as Appendix 1. A full report of the consultation findings can be found on the LBB website, the link for which is: <http://www.bromley.gov.uk/CouncilTaxSupport>

3.2.2 To summarise the main findings were:

- In respect of financial year 2018/19, 68% of respondents confirmed their preference to keep the minimum contribution at 25%. The responses were weighted in favour of maintaining this level of support irrespective of whether the respondent was in receipt of CTS/R
- Of those indicating that the current level of assistance should not be maintained, 43% said the scheme should be more generous and 57% less.
- 91% of respondents said that there should be a hardship fund, with 67% agreeing that it should remain at the current level (£100k)

- On the questions related to aligning the scheme with Housing Benefits, the following results were obtained:  
86% agreed that CTS/R should only be paid for a maximum of 4 weeks during a claimant's absence from Great Britain.  
77% agreed that CTS/R should only cover the costs of 2 children in families. The following DWP exemptions would apply where the third or subsequent child:
- were born as part of a multiple birth
- were adopted from local authority care
- are in your care (formally or informally) and otherwise would be looked after by the local authority
- you are responsible for has a child of their own
- were conceived as a result of a non-consensual sexual act (including rape) or when you were in a controlling or coercive relationship  
77% agreed customers in receipt of ESA should only receive additional assistance if they are in the support group.

#### **4. IMPACT ON VULNERABLE ADULTS AND CHILDREN AND INDIVIDUALS WITH PROTECTED CHARACTERISTICS**

There are currently 1701 disabled claimants and 4611 households with children affected by the policy. This excludes pensioner claimants whose entitlement continues to be based on 100% of their Council Tax liability.

The impact on vulnerable adults and children is mitigated by building into the scheme disregards and additional assistance contained in the Housing Benefit scheme. In addition a hardship fund is available for those faced with exceptional circumstances.

##### Summary of Equality Impact assessment (EIA)

The EIA recognizes that the requirement for working-age claimants to contribute a minimum of 25% towards their Council Tax liability disproportionately impacts upon several of the protected characteristic groups. Lone parents (who are predominantly women) and the disabled are both overrepresented in the Council Tax Support caseload. Mitigation of the impact is supplied by the retention of the safeguards included in the Housing Benefit scheme for these client groups, for example the disregard of certain income types for the disabled and allowances for childcare costs. Further mitigation is supplied by the Hardship Fund from which assistance can be granted for those facing exceptional circumstances.

A copy of the Impact Assessment can be found at Appendix 1.

#### **5. POLICY IMPLICATIONS**

5.1 A copy of the 2017/18 scheme can be accessed by the following web link:

[http://www.bromley.gov.uk/downloads/file/2860/council\\_tax\\_support\\_scheme\\_2017](http://www.bromley.gov.uk/downloads/file/2860/council_tax_support_scheme_2017)

This scheme will be revised in light of any changes agreed by Members, required by legislative change and/or resultant of the annual uprating of the benefit system.

The Authority's scheme needs to be adopted on an annual basis following a public consultation exercise.



## 6. FINANCIAL IMPLICATIONS

- 6.1 The below table shows the projected expenditure of the scheme based on working-age claimant's having their entitlement based on 75% of the households Council Tax liability: -

Minimum working-age CTS liability	25%
	<b>£'000</b>
LBB estimated annual CTS expenditure costs (79.91%)	£9,874
GLA estimated costs (20.09%)	£2,483
<b>Total Estimated annual CTS expenditure</b>	<b>£12,357</b>

- 6.2 The sums included in the above table are based on the Council Tax levels for 2017/18 and the current number of households in receipt of CTS/R as at the 30/9/17.
- 6.3 In addition to the above expenditure figures, the 2017/18 budget includes £100k per annum for the provision of discretionary awards.

## 7. LEGAL IMPLICATIONS

- 7.1 Full legal implications were set out in the report considered by members of the Executive on 15<sup>th</sup> July 2015 and these are not repeated here. Members should however have regard to these and the earlier Equality Impact assessment work undertaken. However, in summary Section 33 (1) (e) of the Welfare Reform Act 2012 abolished the national scheme of Council Tax benefit. Section 10(1) of that Act introduced a new Section 13A (2) into the Local Government Finance Act 1992 which obliged each local authority to make its own scheme for those who it considered to be in financial need.

Schedule 1A of the 1992 Act sets out the procedural steps required to make or revise a scheme. These include an obligation to consider whether or not to change a scheme for any financial year. Where changes are made there is a statutory obligation to publish a draft scheme and to consult with such persons as we deem to have an interest. This will include both individuals who receive benefit and those who don't. Any new scheme must be adopted by 31<sup>st</sup> of January in the financial year preceding that in which it is to apply. Bromley has undertaken the required consultation exercise and whereas members must have regard to the consultation outcomes, they are not obliged to follow the majority view. Members also have to consider the impact of the scheme and any changes on individuals with protected characteristics in line with the public sector equality duty and an equality impact assessment which identifies appropriate mitigation measures is appended to the report.

<b>Non-Applicable Sections:</b>	Personnel and Procurement
Background Documents: (Access via Contact Officer)	

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# **Impact Assessment for Council Tax Support**

## **London Borough of Bromley**

### **Part 1: Description of policy change and its relevance to equality**

**Category of trigger for Impact Assessment:** Re-adoption of existing policy

### **Background**

Council Tax Benefit (CTB) was abolished on the 01 April 2013. The Local Government Act replaced CTB for working age claimants with a scheme to be designed by the local authority – Council Tax Support (CTS). Funding was no longer demand led, but based on an estimate of Borough caseloads, with an initial overall budget 10% lower than that of CTB. Residents meeting the state pension credit age being eligible for a separate national scheme to "leave them no worse off than they are now".

### **Reason for review**

Bromley adopted a 2 year scheme in January 2013 for the financial years 2013/14 and 2014/15. The scheme was based on a minimum liability of 8.5% for 2013/14 and 19% for 2014/15. This scheme was retained for 2015/16 before revision to a 25% minimum contribution for 2016/17. It remained at this level for 2017/18 and it is proposed that the minimum contribution remains at 25% for 2018/19

CTS is a local scheme to assist those who are on a low income to meet their Council Tax liability. Individuals apply for CTS and if their income is below a certain level, which takes account of their circumstances, they are eligible for a reduction on their Council Tax bill.

The "generosity" of the scheme has a direct impact on the Authority's finances. Therefore, the cost of the scheme will influence service provision in other areas, reserves and/or the Council Tax level.

### **Consultation on the scheme for 2018/19**

Views on the retention of the proposed scheme have been sought from the Greater London Authority and a sample of Bromley households. These households included those currently in receipt of CTS as well as those meeting their Council Tax liability from their own means.

## Part 2: Collection of Evidence — what do we know?

### Description of data used

In order to assess the impact of this policy change, Bromley has used information from a variety of different sources including:

- Data collected from records from the Council Tax and Housing Benefit systems;
- Consultation responses – including equality monitoring data;
- Census 2011 first release data;
- Bromley's Budget Strategy & other financial information about the service
- Office for National Statistics (NOMIS)

### Financial Information and Impact

The impact of this proposed scheme will affect all working-age claimants from the 1/4/18. For the financial year 18/19 it is proposed that the maximum amount of assistance available to working-age claimants under the CTS scheme will be unchanged. Calculations have been supplied based on a minimum liability of 25% using the current years (17/18) Council Tax levels.

**Table 1 - Financial Impact of Introduction of Local Scheme**

	<b>2016/17 Liability</b>	<b>2016/17 Maximum assistance Pensionable Age</b>	<b>2016/17 Maximum assistance under proposed CTS (75%)</b>	<b>2016/17 Minimum weekly amount to pay (25%)</b>
<b>Band A - Full Charge</b>	£929.36	£929.36	£697.02	£4.46
<b>Band A - with 25% discount</b>	£697.02	£697.02	£522.77	£3.34
<b>Band B - Full Charge</b>	£1,084.25	£1,084.25	£813.19	£5.19

<b>Band B - with 25% discount</b>	£813.19	£813.19	£609.89	£3.90
<b>Band C -Full Charge</b>	£1,239.15	£1,239.15	£929.36	£5.94
<b>Band C - with 25% discount</b>	£929.36	£929.36	£697.02	£4.46
<b>Band D - Full Charge</b>	£1,394.04	£1,394.04	£1,045.53	£6.68
<b>Band D - with 25% discount</b>	£1,045.53	£1,045.53	£784.15	£4.84
<b>Band E - Full Charge</b>	£1,703.83	£1,703.83	£1,277.87	£8.17
<b>Band E - with 25% discount</b>	£1,277.87	£1,277.87	£958.40	£6.13
<b>Band F- Full Charge</b>	£1,946.06	£2,013.61	£1,510.21	£9.65
<b>Band F - with 25% discount</b>	£1,459.55	£1,510.21	£1,132.66	£7.24
<b>Band G - Full Charge</b>	£2,245.45	£2,323.40	£1,742.55	£11.14
<b>Band G - with 25% discount</b>	£1,684.09	£1,742.55	£1,306.91	£8.35
<b>Band H - Full Charge</b>	£2,694.54	£2,788.08	£2,091.06	£13.37
<b>Band H - with 25% discount</b>	£2,020.91	£2,091.06	£1,568.29	£10.03

## **Breakdown of current claimants**

In order to understand how the proposed changes will impact on different protected groups Bromley has examined data, where available, based on the current benefit caseload. Data is available on the following: age, gender and disability which are noted in Table 2. There is very limited data available on the ethnic breakdown of current claimants as the appropriate section is seldom completed on the application form.

**Table 2 - Breakdown of Current claimants Council Tax Support**

Type	Total	Female	Male	Disabled	Disabled female	Disabled male	DLA/PIP Income
<b>Working age - Passported (equalisation definition)</b>							
Single no child dependant	3249	1647	1602	1070	533	537	1522
Single with child dependant	2429	2348	81	206	194	12	636
Couple no child dependant	281	115	166	96	37	59	199
Couple with child dependant	418	226	192	83	29	54	257
<b>Working age - Non Passported</b>							
Single no child dependant	868	463	405	156	75	81	192
Single with child dependant	1209	1166	43	33	32	1	127
Couple no child dependant	91	27	64	32	9	23	49
Couple with child dependant	555	265	290	25	12	13	112
<b>Total Working age</b>	<b>9100</b>	<b>6257</b>	<b>2843</b>	<b>1701</b>	<b>921</b>	<b>780</b>	<b>3094</b>
Pensioner- Passported	4211	2795	1416	1145	834	311	774
Pensioner- Non Passported	2077	1186	891	514	299	215	250
<b>Total Pensioner</b>	<b>6288</b>	<b>3981</b>	<b>2307</b>	<b>1659</b>	<b>1133</b>	<b>526</b>	<b>1024</b>
<b>Overall Total</b>	<b>15388</b>	10238	5150	3360	2054	1306	4118

The table below provides some additional evidence by protected characteristic that has been used to complete this EIA.

Protected Characteristic	Evidence																																																		
Age	<p>Please see table 2 for detailed breakdown</p> <p>9,100 (59.14%) of current claimants are under Pension Credit age and will be affected by the Authority's Council Tax Support policy. <i>Data based on Sep 2017 caseload. Caseload numbers may fluctuate on a daily basis.</i></p> <p>The data demonstrates that 3638 (40%) of current working-age claimants are single parent families with child dependents</p>																																																		
Disability	<p><b>Bromley's population</b></p> <p>The following table shows the number and percentage of working-age residents in receipt of benefits, including those related to sickness and Disability (latest identified data – November 2016).</p> <table><tr><th>Britain</th><th>Bromley (numbers)</th><th>Bromley (%)</th><th>London (%)</th><th>Great (%)</th></tr><tr><td>Total claimants</td><td>16,520</td><td>8.1</td><td>9.3</td><td>11.0</td></tr></table> <p><b>By statistical group</b></p> <table><tr><td>Job seekers</td><td>1,740</td><td>0.9</td><td>1.2</td><td>1.1</td></tr><tr><td>ESA and incapacity benefits</td><td>8,270</td><td>4.1</td><td>4.8</td><td>6.1</td></tr><tr><td>Lone parents</td><td>1,920</td><td>0.9</td><td>1.0</td><td>1.0</td></tr><tr><td>Carers</td><td>2,400</td><td>1.2</td><td>1.3</td><td>1.7</td></tr><tr><td>Others on income related benefits</td><td>240</td><td>0.1</td><td>0.2</td><td>0.2</td></tr><tr><td>Disabled</td><td>1,590</td><td>0.8</td><td>0.7</td><td>0.8</td></tr><tr><td>Bereaved</td><td>350</td><td>0.2</td><td>0.1</td><td>0.2</td></tr><tr><td>Key out-of-work benefits'</td><td>12,180</td><td>6.0</td><td>7.2</td><td>8.4</td></tr></table> <p>Source: DWP benefit claimants - working age client group</p> <p>Key out-of-work benefits include the groups: job seekers, ESA and incapacity benefits parents and others on income related benefits. See the <b>Definitions and Explanations</b> for details</p> <p>Note: % is a proportion of resident population of area aged 16-64. Figures do not yet include Universal Credit</p> <p><b>Breakdown of current claimants</b></p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <ul style="list-style-type: none"><li>2012 (20.85%) of current claimants below pension credit age have declared a disability</li></ul>	Britain	Bromley (numbers)	Bromley (%)	London (%)	Great (%)	Total claimants	16,520	8.1	9.3	11.0	Job seekers	1,740	0.9	1.2	1.1	ESA and incapacity benefits	8,270	4.1	4.8	6.1	Lone parents	1,920	0.9	1.0	1.0	Carers	2,400	1.2	1.3	1.7	Others on income related benefits	240	0.1	0.2	0.2	Disabled	1,590	0.8	0.7	0.8	Bereaved	350	0.2	0.1	0.2	Key out-of-work benefits'	12,180	6.0	7.2	8.4
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Key out-of-work benefits'	12,180	6.0	7.2	8.4																																															
Sex	<p><b>Bromley population</b></p> <p>According to nomis official labour market stats Bromley's population (2015) is 51.95% female and 48.05% male</p> <p><b>Breakdown of current claimants</b></p> <p>Please see table 2 for detailed breakdown of information on our current claimants</p> <p>68.75% of current claimants under pensionable age are female</p> <p>Indicates that women are over represented amongst our CTS claimants</p>																																																		
Gender reassignment	The Council does not anticipate this policy will have a particular equality impact on this protected group.																																																		
Pregnancy & Maternity	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.																																																		

Race	<p><b>Bromley population - Current claimants</b></p> <p>As advised earlier, there is very limited data available on the ethnic breakdown of the current claimants as only a few complete the non-mandatory section of the form.</p> <p><b>Borough wide information</b></p> <p>It was estimated in mid-2016 that 15.7% of its population were "non-white". Bromley has a less ethnically diverse population than most other London boroughs, although a distinctive group within the borough is a settled traveller community in the Crays with an estimated 2,000 members.</p>
Religion & Belief	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Civil Partnerships & Marriage	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.
Sexual Orientation	No specific evidence. We do not anticipate this policy will have a particular equality impact on this protected group.

### Part 3 - Analyse of evidence and description of the impact

Characteristic	Actual or likely impacts (negative/positive/no impact) and justification	Actions to be taken to mitigate potential negative impacts (include name of lead and estimated date of completion)
Age	<p>Neutral impact for pension age claimants as the Government has stipulated this group must have their claims assessed as they are now.</p> <p>Given the large number of CTS claimants that are single parent families with dependent children increases in the minimum contribution would have a negative impact on levels of child poverty. There is insufficient evidence to be certain what this impact will be.</p>	<p>It is proposed a hardship fund be retained for those faced with exceptional circumstances. It is further planned to retain all aspects of the current CTS scheme that provides assistance by way of disregards of income and increased allowances.</p> <p>The Council will monitor the impact on this Client group through monitoring of communications, complaints, appeals, request for discretionary awards</p> <p><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Disability	Any increased level of 'contribution' will have a negative impact on current and future disabled CTS claimants as working age claimants will have to pay	<p>The proposed Council Tax Support scheme allows for the complete disregard of certain</p>



	<p>more towards their council tax bill.</p> <p>The proposed change in assistance provided to those in the ESA – Work Related Activity Group, will reduce the assistance available to those recipients. The change is in-line with that contained in HB regulations.</p>	<p>income types such as Disability Living Allowance/PIP and the award of Disability premiums in the benefit calculation. These will be retained to mitigate the impact on those who are disabled. The planned continuation of the hardship scheme for those faced with exceptional circumstances will further alleviate any impact on the disabled.</p> <p><b>Responsible Officer(s)</b> Welfare Reform Manager &amp; Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Sex	<p>Females are disproportionately represented amongst current CTS claimants.</p> <p>Any reduction in the level of assistance given would have a negative impact on current and future working age CTS claimants (regardless of gender) as claimants would have to contribute more towards their council tax bill then they have had previously.</p> <p>Although any change in the scheme would be applied universally (i.e. men and women would face the same reduction in CTS) our evidence makes clear that a greater proportion of current CTS claimants are women and therefore as a protected group women would feel the impact of any change in greater numbers.</p>	<p>Monitoring of the impact on women who claim Council Tax Support will continue. In order to mitigate impact it is proposed that the scheme retains the income disregards and allowances that are predominately received by females for example allowances in respect of child care costs. The planned continuation of the hardship scheme will provide a further safeguard for those faced with exceptional circumstances.</p> <p><b>Responsible Officer(s)</b> Head of Revenues &amp; Benefits — Monitoring to be ongoing</p>
Gender reassignment	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Pregnancy & Maternity	The change in rules so that CRS/R only covers the cost of 2 children will impact on those having larger families. The change brings rules in-line with HB	Certain exemptions apply in HB legislation and scheme. Hardship fund in place to safeguard those with exceptional circumstances.

	There is evidence to indicate that BME communities are more likely to be unemployed and, therefore, possibly more reliant on CTS. However, there is insufficient evidence on current claimants to demonstrate this is in fact the case in Bromley.	
Religion & Belief	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Civil Partnerships & Marriage <sup>2</sup>	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Sexual Orientation	No specific impact identified other than all claimants will have to contribute more towards their council tax bill	
Race	Any reduction in the level of assistance provided would have a negative impact on current and future CTS claimants (regardless of race) as some claimants will have to contribute more towards their council tax bill than they have had previously. There is very limited evidence available to quantify if there will be a differential impact on the different ethnicities.	In order to mitigate any adverse impact is proposed that a hardship fund is retained for those faced with exceptional circumstances.  <b>Responsible Officer(s)</b> Head of Revenues & Benefits — Monitoring to be ongoing.

## Part 5 — Completion and authorisation

<b>Officer completing assessment</b>	John Nightingale, Head of Revenues and Benefits
<b>EIA completed</b>	30/10/2017
<b>Officer responsible for monitoring impact</b>	John Nightingale
<b>Date EIA is scheduled to be reviewed</b>	November 2018

**GREATER LONDON AUTHORITY**  
**RESOURCES GROUP FINANCE**

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 The Queen's Walk  
 More London  
 London SE1 2AA  
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John Nightingale  
 Head of Revenues and Benefits  
 London Borough of Bromley  
 Civic Centre,  
 Stockwell Close  
 Bromley  
 BR1 3UH

**Our ref:** CTS  
**Your ref:**  
**Date:** 29 September 2017

Dear John

**LONDON BOROUGH OF BROMLEY COUNCIL TAX SUPPORT SCHEME 2018-19**

Thank you for your letter of 2 August setting out the draft council tax support scheme for the London Borough of Bromley for 2018-19. Following publication of the consultation on the Council's website, this letter summarises the draft scheme options and sets out the GLA's response to the consultation.

**Introduction**

Firstly, the GLA recognises that the determination of council tax support schemes under the provisions of the Local Government Finance Act 2012 are a local matter for each London borough. Individual schemes need to be developed which have regard to specific local circumstances, both in respect of the potential impact of any scheme on working age claimants (particularly vulnerable groups) and more generally the financial impact on the council and local council tax payers – and therefore the final policies adopted may, for legitimate reasons, differ across the capital's 33 billing authorities.

This fact notwithstanding, the GLA also shares in the risks and potential shortfalls arising from the impact of council tax benefit localisation in proportion to its share of the council tax in each London billing authority. It is therefore important that we are engaged in the scheme development process and have an understanding of both the factors which have been taken into account by boroughs in framing their proposals, as well as the data and underlying assumptions used to determine any forecast shortfalls which will inform the final scheme design.

**Framing and Publicising Proposals**

The Government has expressed a clear intention that in developing their scheme proposals billing authorities should ensure that:

- Pensioners see no change in their current level of awards whether they are existing or new claimants;
- They consider extending support or protection to other vulnerable groups; and
- Local schemes should support work incentives and in particular avoid disincentives to move into work

The GLA concurs with those general broad principles and would encourage all billing authorities in London to have regard to them in framing their schemes.

### The 2018-19 Scheme

Under Bromley's current 2017-18 scheme, the maximum amount of CTS available to working age claimants is 75%. All working age claimants are therefore expected to pay at least 25% towards their council tax bill. The Council's preferred option for 2018-19 is to maintain the maximum level of support for CTS claimants at the same percentage.

The Council has a hardship fund, to provide extra help to residents who are experiencing exceptional financial hardship and are unable to pay their council tax. Currently the level of funding available is £100,000.

The following amendments are proposed for the 2018-19 CTS scheme, in order to align the scheme with changes made by the Government to Housing Benefit rules:

1	Introduce a two-child limit for the personal allowance, for claimants with dependant children.	Under current arrangements, applicants with dependant children are given an allowance of £66.90 per week per child. This means for each child this amount is deducted from the household's income in assessing eligibility for council tax support.  <u>The scheme would only take into account two children in a household, unless child tax credit is received for the additional children.</u>
2	Limit period for temporary absence from the UK to 4 weeks.	Under current arrangements, in most cases working age claimants can be temporarily absent from their UK home for a maximum of 13 weeks and continue to claim their entitlement for CTS.  <u>A limit of 4 weeks ordinarily would be introduced, for exceptional cases this could be 8 or 26 weeks, from April 2017.</u>
3	Only those receiving Employment Support Allowance in the Support Group would receive additional assistance	Under current arrangements Employment and Support Allowance claimants who are in either the Work-Related Activity Group or the Support Group are eligible for extended reductions under the CTS scheme.  <u>Claimants in receipt of Employment Support Allowance would be eligible for extended reductions if they are in the Support Group.</u>

The GLA notes that as funding for council tax support has been reduced by Government, many schemes across London – although not exclusively - have become less generous in the support they offer to claimants. The GLA recognises that Boroughs such as Bromley must respond to the reduction in funding and that this may lead Councils to reduce the level of support they offer.

The changes proposed by Bromley bring the support offered through its CTS scheme in line with other national benefits. However, we would encourage the Council to consider how the changes may impact vulnerable groups who may be adversely affected by other changes to the benefits system (which the GLA recognises is often out of your Council's control).

In particular, the changes under proposal 1 would mean families with more than two children may receive less help than they do under the existing scheme. Under the proposals, low income families with more than two children who do not qualify for child tax credit will be adversely impacted. We would encourage the Council to determine how many families such a change would be likely to affect and the cost of continuing to provide support on the basis offered in 2017-18. If the cost is not prohibitive we would urge Bromley to consider continuing providing support to families with more than two children. The GLA would also be covering part of the cost of continuing to provide such support in proportion to the GLA precept element of council tax payable by CTS claimants with more than two children.

Notwithstanding, the above comments and recognising that the proposed scheme is in accordance with the general principles set out by Government (as listed above), the GLA is content to endorse the broad approach taken by Bromley. Similar changes are being proposed by other boroughs for their schemes for 2018-19 and we note the Council's statement that the proposed changes would align the scheme with changes to Housing Benefit. However, we would welcome further information on the number of claimants that are likely to be affected by these changes and clarification over whether they will apply to existing claimants or only new claimants.

It is the GLA's view that the proposed changes should be considered in the whole. If one proposed change results in greater savings for the Council that could be used to reduce the need to apply other proposals, then we would encourage the Council to consider doing this as it would help to reduce the financial burden on individuals and families in Bromley who see their council tax support entitlement reduced.

The GLA also considers that before finalising their 2018-19 schemes all billing authorities should re-examine the challenges which they will face in collecting relatively small sums of money from claimants on low incomes, who may not be in a position to pay by direct debit or other automatic payment mechanisms, based on their experiences in the first five years of the localised system. In some cases, the administrative costs of enforcing such payments may outweigh the cost saved by reducing support.

### **Financial Implications of the Proposed 2018-19 Scheme**

It would be helpful for the GLA's planning purposes if Bromley could provide us with an updated forecast total cost for the 2018-19 council tax support scheme based on its forecast 2017-18 caseload and taking into account any developments since the public consultation was launched – ideally apportioning all elements between the GLA and the Council having regard to 2017-18 council tax shares. This would also allow the GLA to calculate its share of the cost of the scheme proposed by Bromley.

## **Technical Reforms to Council Tax**

The GLA considers that in formulating its council tax support scheme each billing authority should both consider and address the impact of the additional revenue it is expecting to raise from the technical reforms to council tax introduced in the Local Government Finance Act 2012, which provide greater flexibility in relation to discounts, exemptions and premiums for second and empty homes. The additional revenues from the technical reforms could be used to reduce any shortfalls and thus the sums which need to be recovered from working age claimants via any changes to council tax support.

The GLA understands that in 2017-18 Bromley has the following policies in place:

- For properties requiring or undergoing major repairs or structural alterations (former class A): no discount
- For properties unoccupied and substantially unfurnished (former class C): no discount
- Second homes: no discount (furnished properties that are not used as main residences)
- Long-term empty properties: the Borough has chosen not to apply a 50% premium on properties that have been unoccupied and substantially unfurnished for a continuous period of two years.

We would encourage the Council to inform us as soon as possible of any changes to its discount policies in order to assist us in assessing the potential impact on the Mayor's funding and tax base for 2018-19 and future years.

## **Setting the Council Tax Base for 2018-19 and Assumptions in Relation to Collection Rates**

The Council will be required to set a council tax base for 2018-19 taking into account the potential impact of the discounts the Council may introduce in respect of council tax support and any potential changes the Council may implement regarding the changes to the treatment of second and empty homes.

The Council will need to make a judgement as to the forecast collection rates from those claimants and council taxpayers affected by any changes to council tax support, taking into account the experience in the first five years of the council tax support arrangements.

The GLA would encourage the Council to provide it with an indicative council tax base forecast as soon as options are presented to members for approval in order that it can assess the potential implications for the Mayor's budget for police, fire and other services for 2018-19. This should ideally be accompanied by supporting calculations disclosing any assumptions around collection rates and discounts granted having regard to the final council tax support scheme design.

### **Collection Fund and Precept Payments**

By 23 January 2018 the Council is required to notify the GLA of its forecast collection fund surplus or deficit for 2017-18, which will reflect the cumulative impact of the first five years of the localisation of council tax support. The GLA would encourage the Council to provide it with this information as soon as it is available.

I would like to thank you again for consulting the GLA on your proposed council tax support options for 2018-19.

Yours sincerely

**Martin Mitchell**  
Finance Manager





London Borough of Bromley

## Council Tax Reduction – Consultation Report

27 October 2017

## 1. Consultation

A public consultation exercise was undertaken for the 18/19 Council Tax Reduction Scheme during a period from 14<sup>th</sup> August 2017 until 6<sup>th</sup> October 2017.

The survey was available through a variety of channels:

- A link was available on the Bromley website
- An e-mail alert was issued to all Portal users advising them of the survey
- A paper copy was issued to 2,000 households comprising of a mix of CTR recipients and non CTR recipients (1,000 households not in receipt of CTR, 500 recipients of working age and 500 recipients of pensionable age)
- A paper flyer enclosed with all Council Tax Bills issued during this period advising of the link on the website.

In total there were 1,125 responses received with the majority, 762, being via the website and 363 by post.

Supplementary questions were asked, for monitoring purposes, to determine whether respondents were currently in receipt of Council Tax Reduction or were completing the consultation on behalf of a representative body.

Of those who chose to respond to these questions, 70% stated that they were not currently in receipt of CTR.

Responses were received from only 3 representative bodies, these were:

- Age UK
- St Christopher's Bromley (Hospice)
- Zacchaeus 2000 Trust

The consultation exercise was based on 7 simple questions to residents of the Borough, 4 of which required specific responses with the remaining 3 being less direct and allowing a degree of free text response.

Of those that were specific, they sought responses in respect of:

**Q1: Whether it was agreeable to maintain the level of assistance at 75%**

**Q2: If LBB were to increase the level of support, how should this be funded?**

**Q3: Whether there should be a hardship fund available and whether the sum of £100,000 was reasonable.**

**Q4: To align the Council Tax Support Scheme with changes made to Housing Benefit rules:**

- **Whether entitlement to Council Tax Support to customers who leave Great Britain temporarily should be reduced to 4 weeks?**
- **Whether Council Tax Support only covers the costs of 2 children in families rather than unlimited numbers of children?**
- **Whether customers in receipt of Employment Support Allowance should only receive additional assistance if they are in the Support Group?**

Standard Equality and Diversity questions were also asked but it was made clear that providing this information was voluntary.

## 2. Outcomes.

Details of the full consultation question and analysis responses, both overall and broken down, are detailed below.

### Question 1.

**Q1 The Council is recommending for 2017/18 the retention of the current maximum level of support for working-age claimants. The maximum level of support being 75% of the households Council Tax liability after any discounts or exemptions have been applied. This would require working age claimants to pay a minimum of 25% of their liability.**

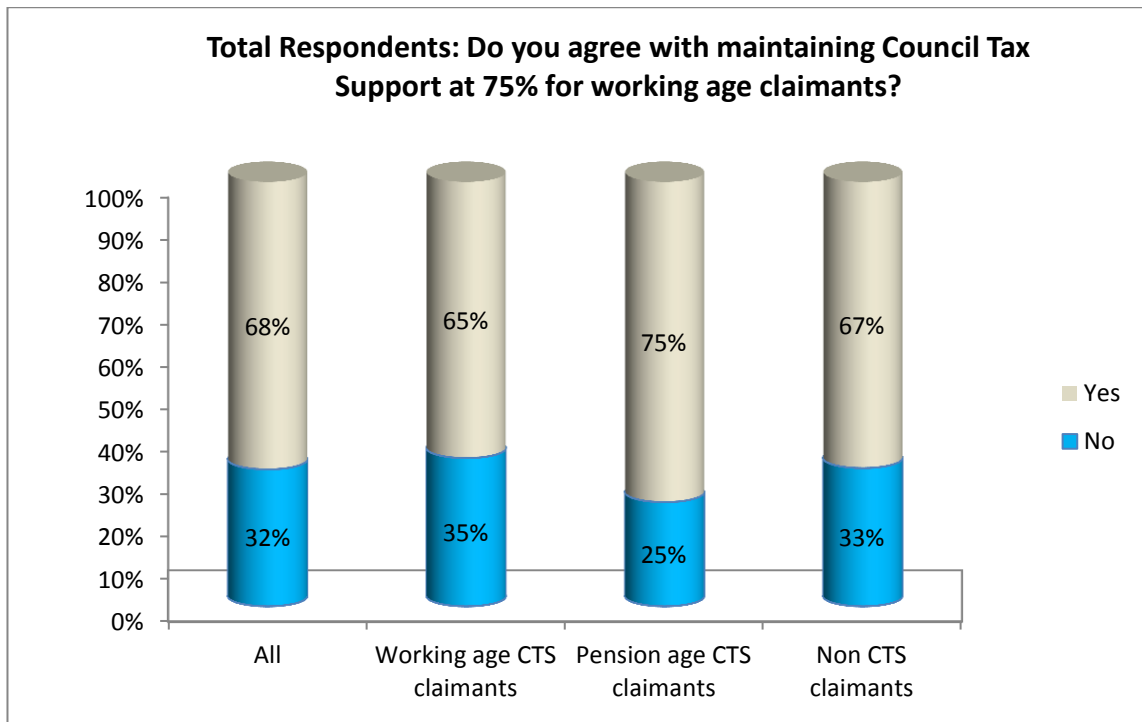
	Yes	No
<b>Please confirm whether you:</b>		
<b>a. Agree with maintaining the assistance at 75%</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b. If NO do you think Council Tax Support claimants should;</b>		
<b>Pay more Council Tax e.g. receive less support</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Pay less Council Tax e.g. receive more support to</b>	<input type="checkbox"/>	<input type="checkbox"/>

**If you disagree with maintaining assistance for working-age claimants at 75%, please state why:**

.....

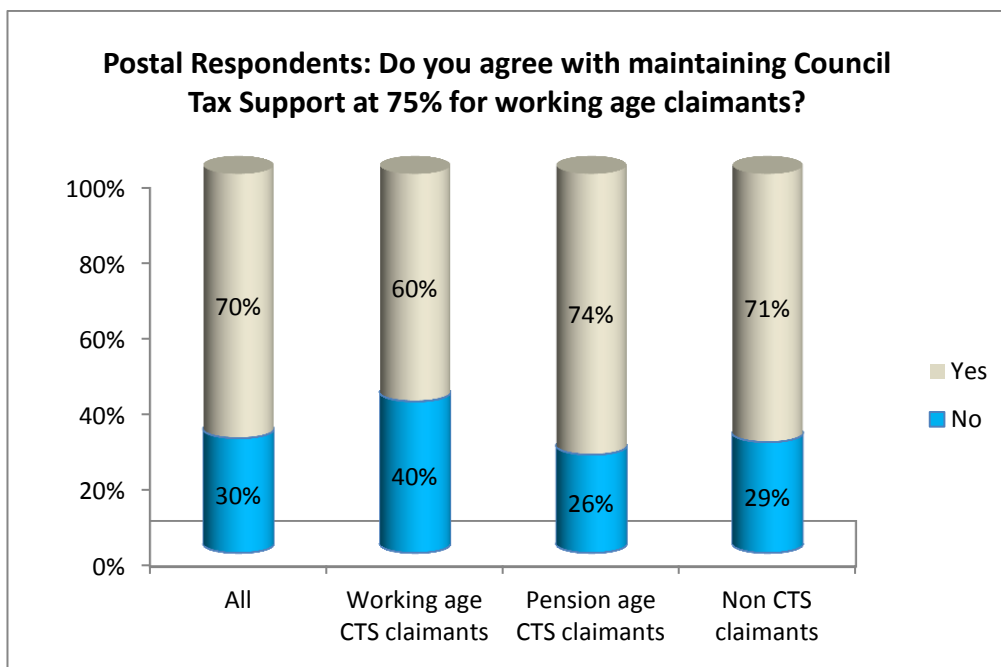
### Overall response.

Of those who responded the *overall* outcome was that they wished to keep the scheme the same with 68% confirming this to be their preference. This was the same percentage when this question was asked last year. The responses were weighted in favour of keeping support at this level irrespective of whether the respondent was in receipt of Council Tax Reduction or not.

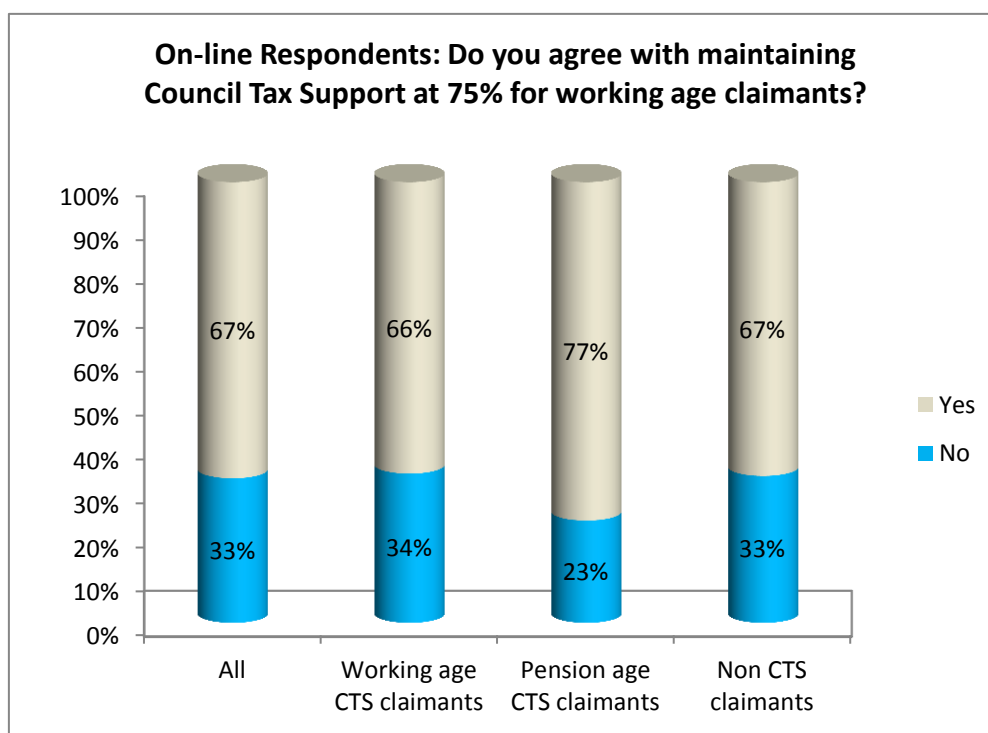


#### Analysis of Respondents by Survey Type.

Of the postal responses received, overall 70% were in favour of retaining the level of support at a maximum of 75%. Again the result was irrespective of whether they were in receipt of Council Tax Reduction or not.



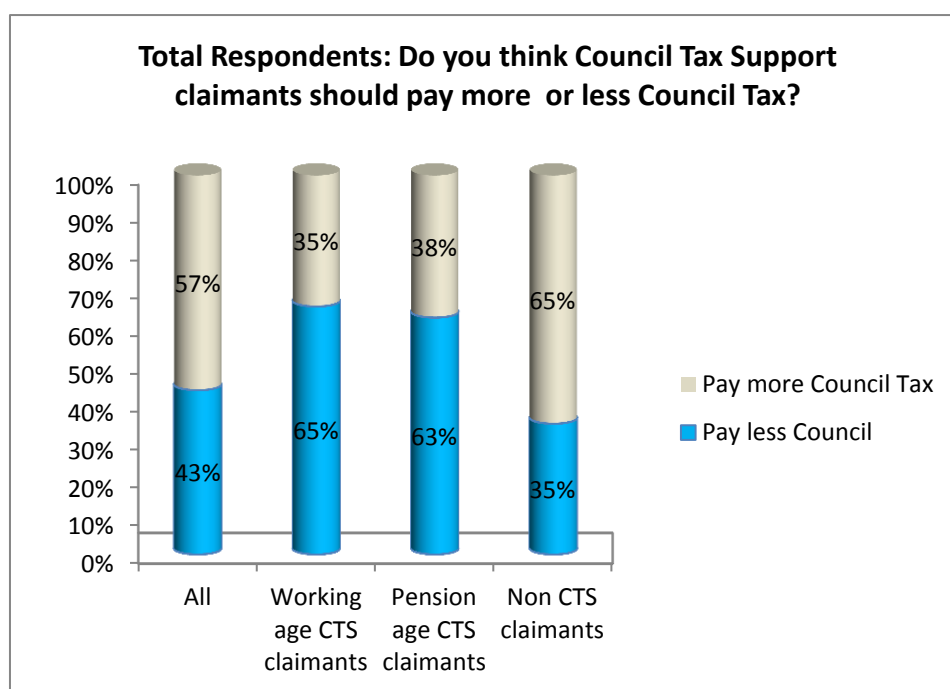
A similar situation was recorded with those who completed the survey on-line despite significantly higher numbers of respondents confirming that they were not in fact in receipt of Council Tax Reduction.



#### Question 1b.

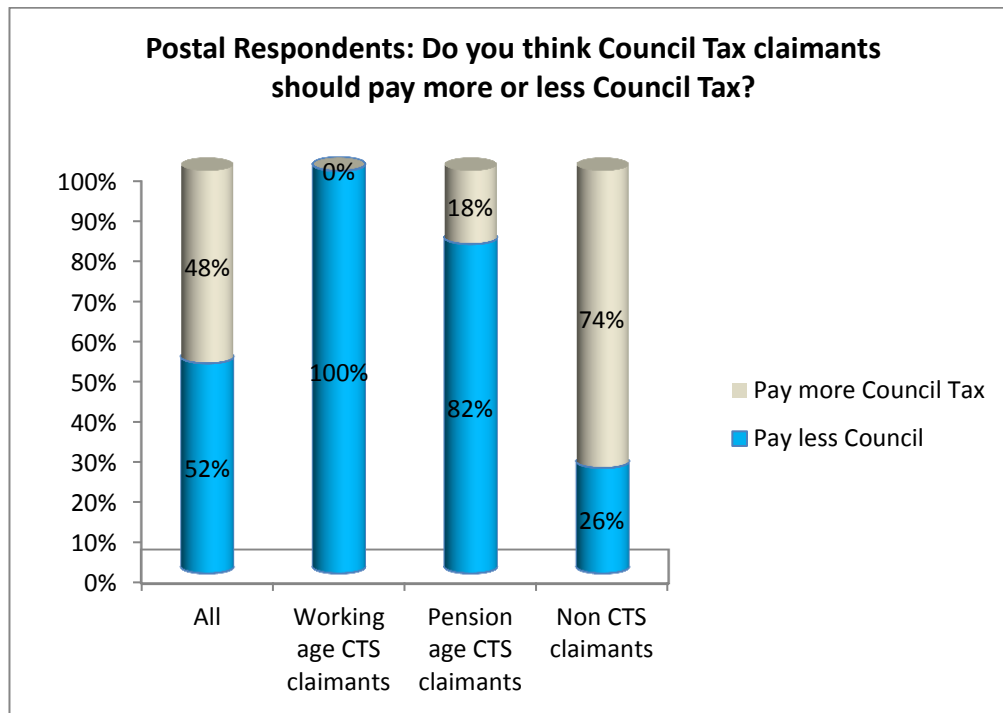
#### Overall response.

Of those who responded to state that they believe assistance should not be maintained at 75%, the *overall* outcome was that they wished to decrease the level of support thereby increasing the levels of Council Tax which recipients would need to pay.

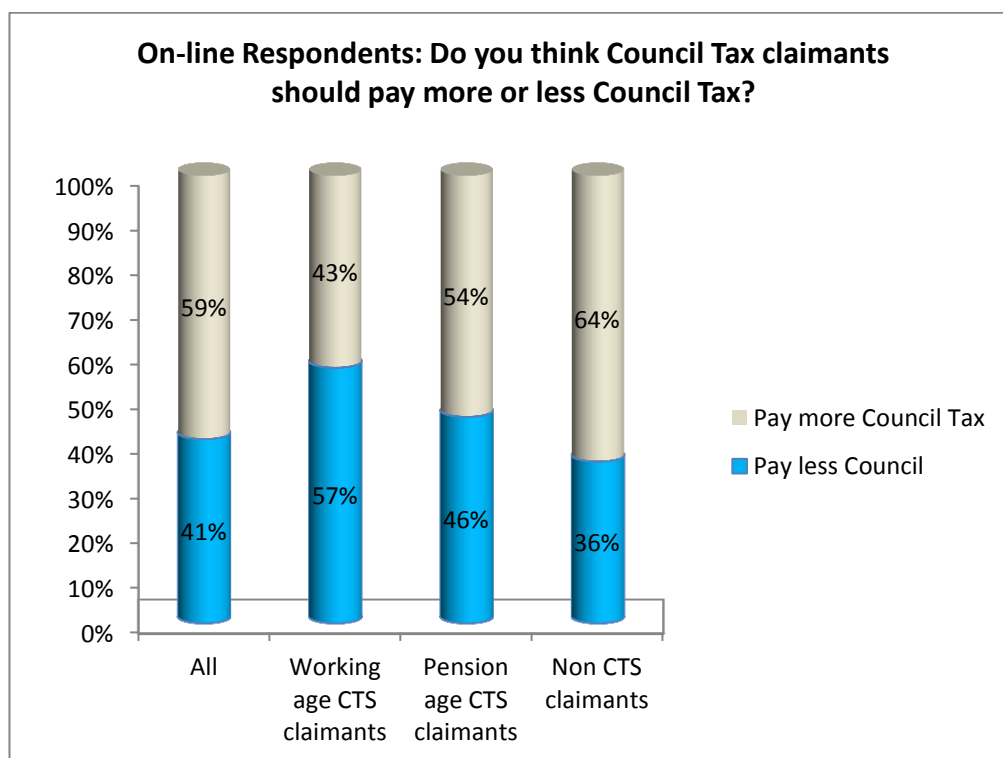


### Analysis of Respondents by Survey Type.

Of the postal responses received, overall 52% were in favour of Council Tax Reduction claimants receiving more support and paying less Council Tax. However, this was not supported by the majority of respondents not currently in receipt of support.



Of the on-line responses received, overall 59% were in favour of Council Tax Reduction claimants receiving less support and paying more Council Tax.



## Question 2.

**Q2 If you think that Council should increase the level of assistance for working-age people from 75%, how do you think this should be funded? In particular, should the Council increase Council Tax or cut other Council services or use the Council reserves, or all three?**

Please choose any of these that apply:

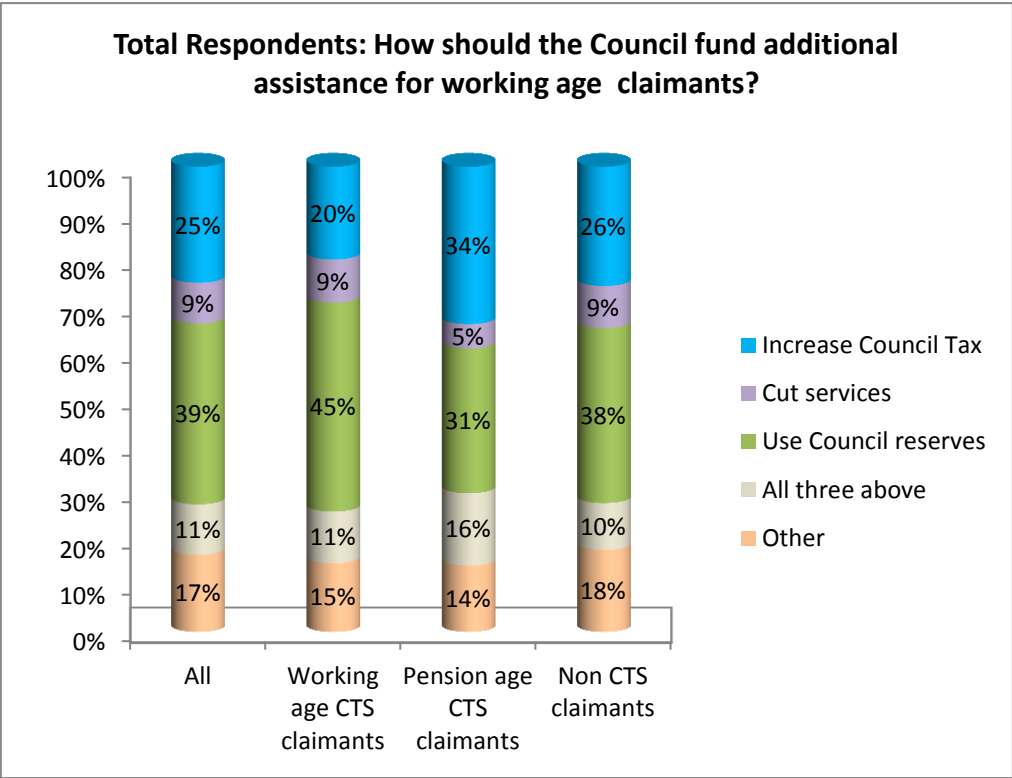
- |                         |                          |
|-------------------------|--------------------------|
| a. Increase Council Tax | <input type="checkbox"/> |
| b. Cut services         | <input type="checkbox"/> |
| c. Use Council reserves | <input type="checkbox"/> |
| d. All three above      | <input type="checkbox"/> |
| e. Other                | <input type="checkbox"/> |

If you think services should be cut or have another suggestion, please write your answer here:

.....

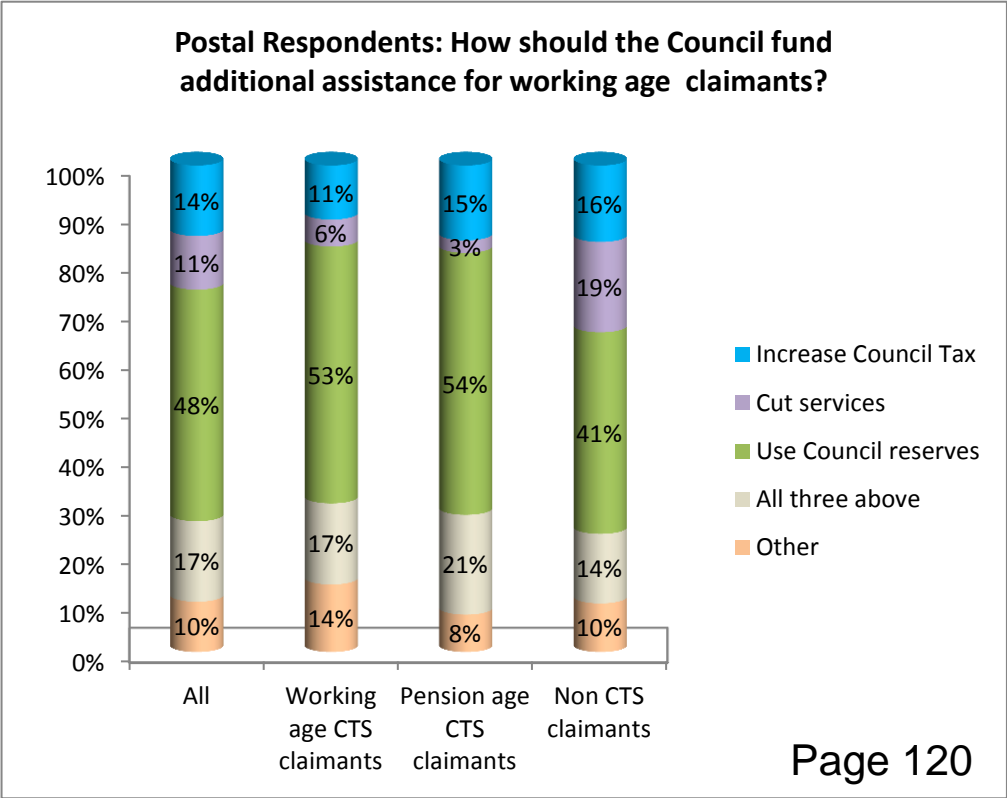
### Overall response

The overall response to this question was that the Council should use its reserves to fund any additional contribution to the Council Tax Reduction scheme with 39% stating this to be their preference. The next highest preference at 25% was to increase Council Tax; this was the view of both Council Tax claimants and non-claimants.



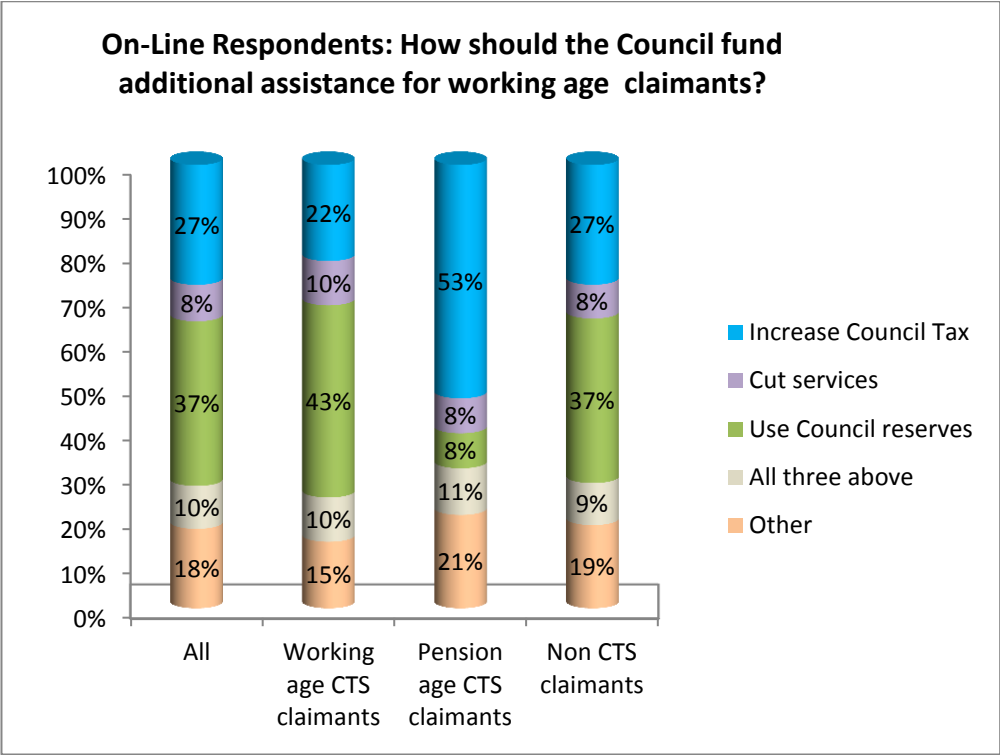
**Analysis of Respondents by Survey Type.**

Of those who completed the postal survey, 48% confirmed the use of Council’s reserves to be their preferred option with the higher percentages from those receiving Council Tax Reduction.





Of those who completed the on-line survey 37% confirmed this to be their preferred option with the highest percentage of respondents choosing this option being those of working age who are currently in receipt of Council Tax Reduction.



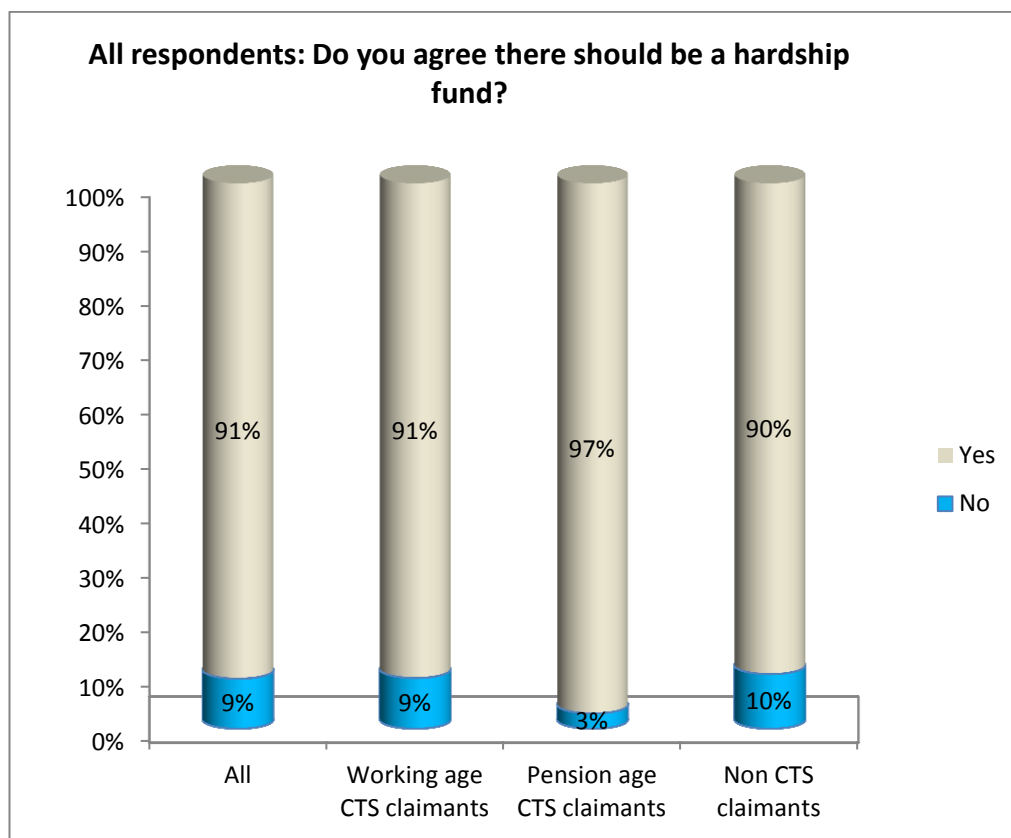
**Question 3.**

**Q3 The Council has a hardship fund of £100,000 to protect the most vulnerable. This is to provide extra help to residents who are experiencing exceptional financial hardship and are unable to pay their Council Tax.**

	Yes	No
a. Do you agree that there should be a hardship fund?	<input type="checkbox"/>	<input type="checkbox"/>
b. Do you agree the level of funding at £100,000 is correct?	<input type="checkbox"/>	<input type="checkbox"/>
If you disagree please write your answer here: .....		

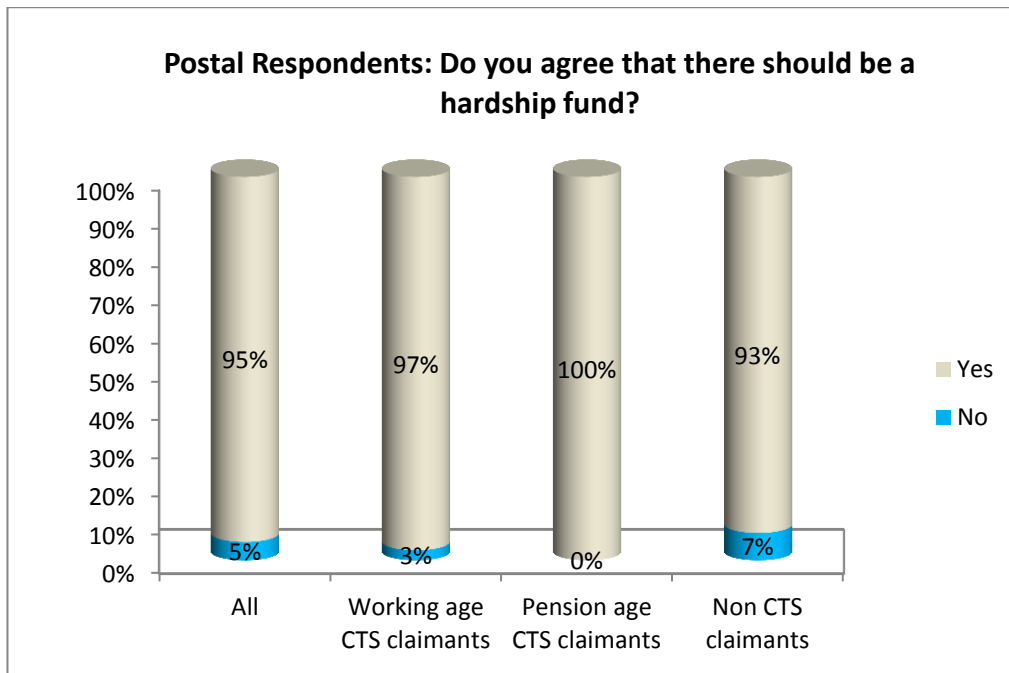
### Overall response – part a.

The overall response to part (a) of this question was that, yes, the Council should have a hardship fund with 91% agreeing with this statement.

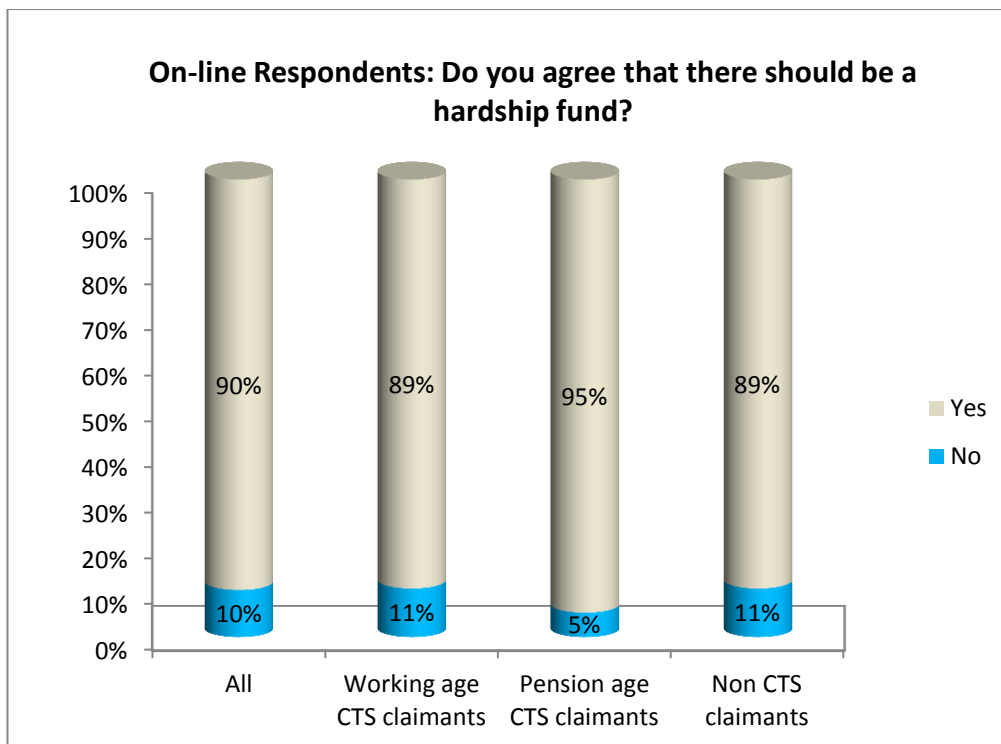


### Analysis of Respondents by Survey Type.

Of those who completed the postal survey 95% confirmed that there should be a hardship fund with a 100% of those in receipt of CTR who were pension age agreeing with this statement.



Of those who completed the on-line survey 90% confirmed that there should be a hardship fund with a continued high support at 95% of those at Pensionable Age in receipt of CTR agreeing with this statement. Interestingly, only 89% of those in receipt of CTR who were of working age and therefore most likely to benefit from a hardship fund agreed with the statement, this was a decrease of 4% from this group when the same question was asked last year.



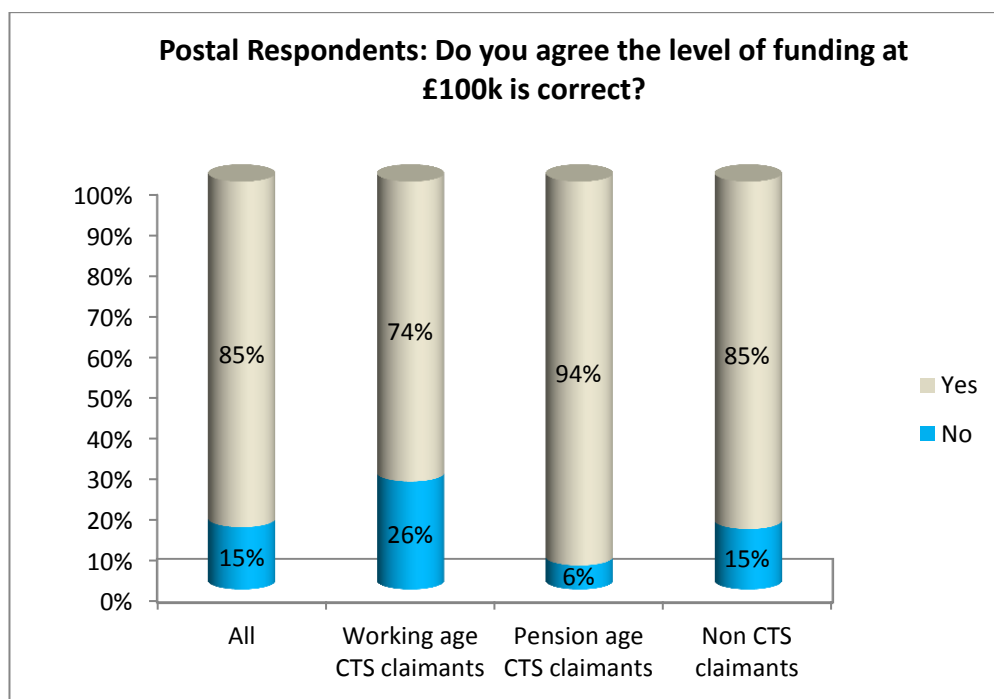
### Overall response – part b.

The overall response to part (b) of this question was that, yes, the level of £100,000 for a hardship funding was correct with 67% agreeing with this statement.

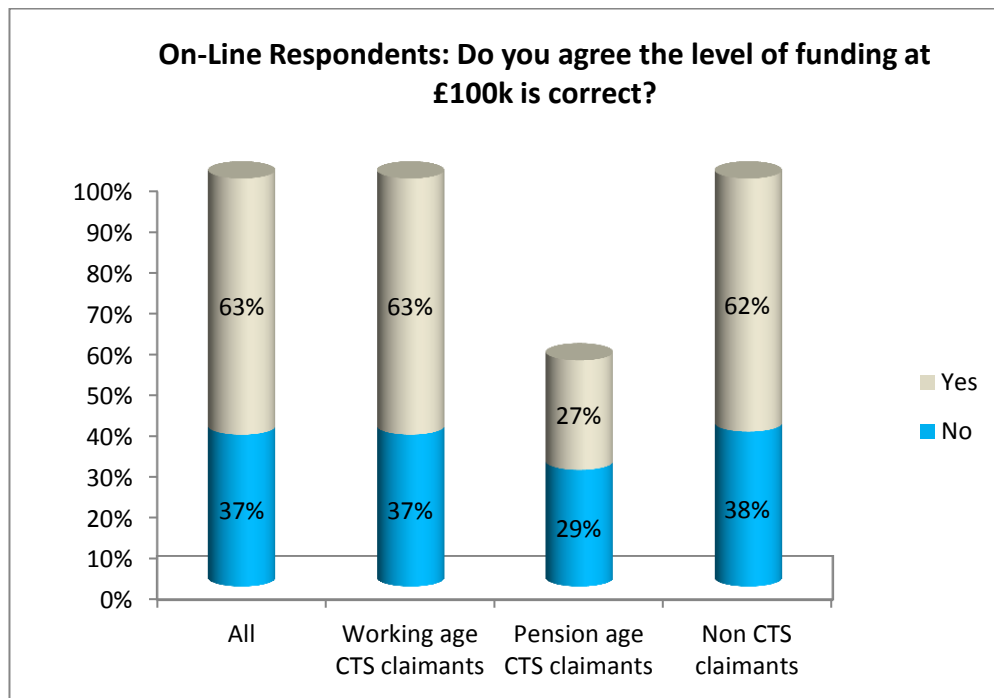
Of those who provided further commentary 38% believed that the sum should be increased and 16% that it should be decreased. Many of the other respondents felt that they were unable to comment without any further facts and figures being provided regarding the potential spend, numbers affected and the criteria qualifying for this fund.

### Analysis of Respondents by Survey Type.

Of those who completed the postal survey 85% confirmed that the sum of £100,000 was correct.



Of those who completed the on line survey only 63% confirmed that the sum of £100,000 in respect of a hardship fund was correct.



#### Question 4.

**Q4 The following amendments are proposed in order to align the Council Tax Support Scheme with changes made to Housing Benefit rules.**

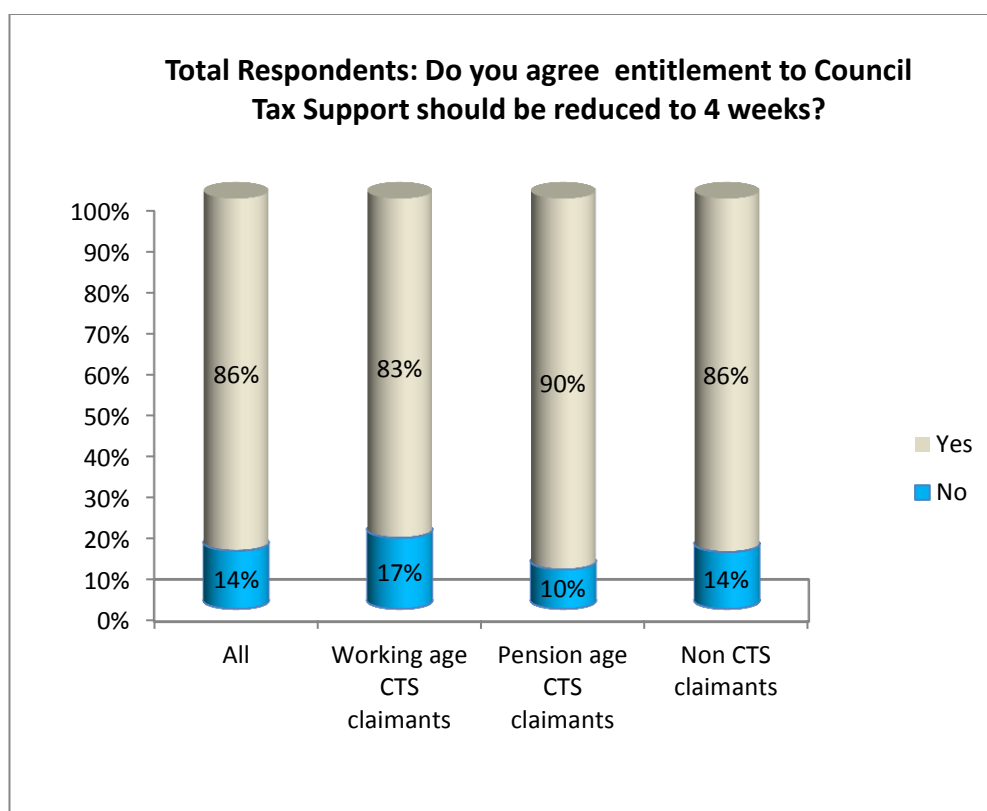
	Yes	No
<p>a. Currently, customers who leave Great Britain temporarily may still get Council Tax Support for 13 weeks or, in some cases, 52 weeks. Do you agree that this should be reduced to 4 weeks ordinarily? In exceptional cases this could be 8 or 26 weeks.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>b. Do you agree that Council Tax Support should only cover the costs of 2 children in families rather than unlimited numbers of children? Exceptions would apply where Tax Credits are paid for more than 2 children.</p>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
<p>c. Do you agree that customers in receipt of Employment Support Allowance should only receive additional assistance if they are in the Support Group?</p>	<input type="checkbox"/>	<input type="checkbox"/>

If you disagree please write your answer here:

.....

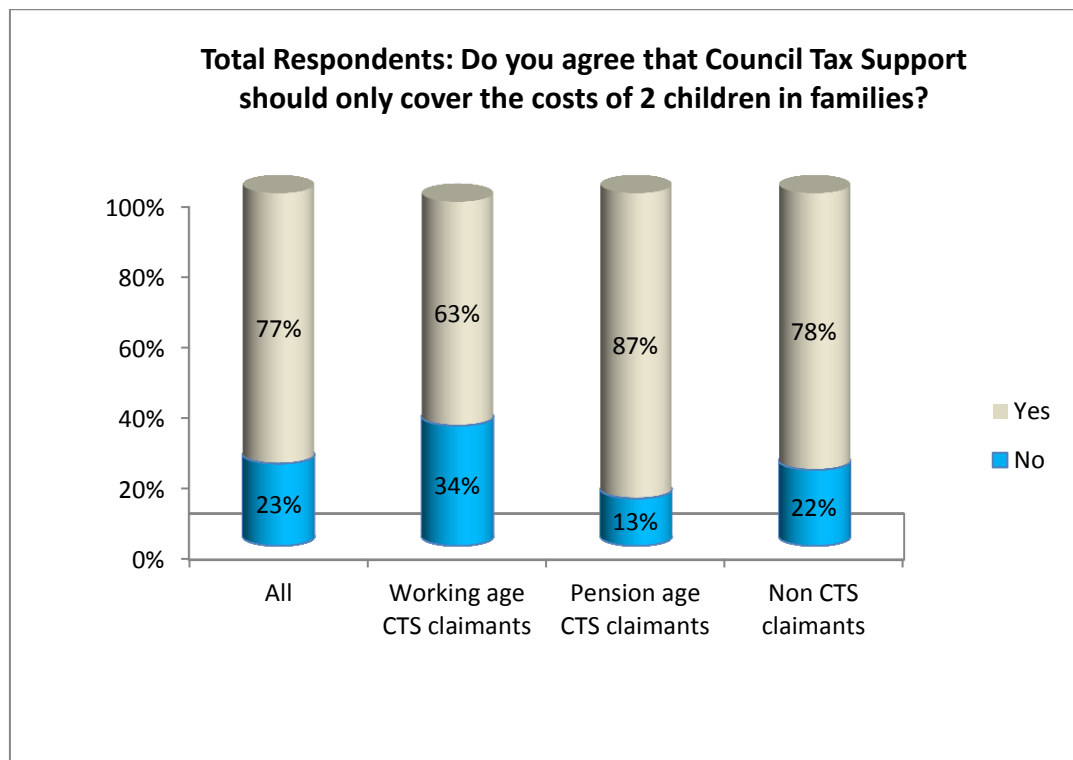
### Overall response – part a.

The overall response to part (a) of this question was 86% agreed that claimants who leave Great Britain temporarily that their entitlement to Council Tax Support should be reduced to 4 weeks. Of those who completed the postal survey 87% were in agreement that the entitlement should be limited to 4 weeks and of the on-line responses received, 85% were agreeing to the same reduction.



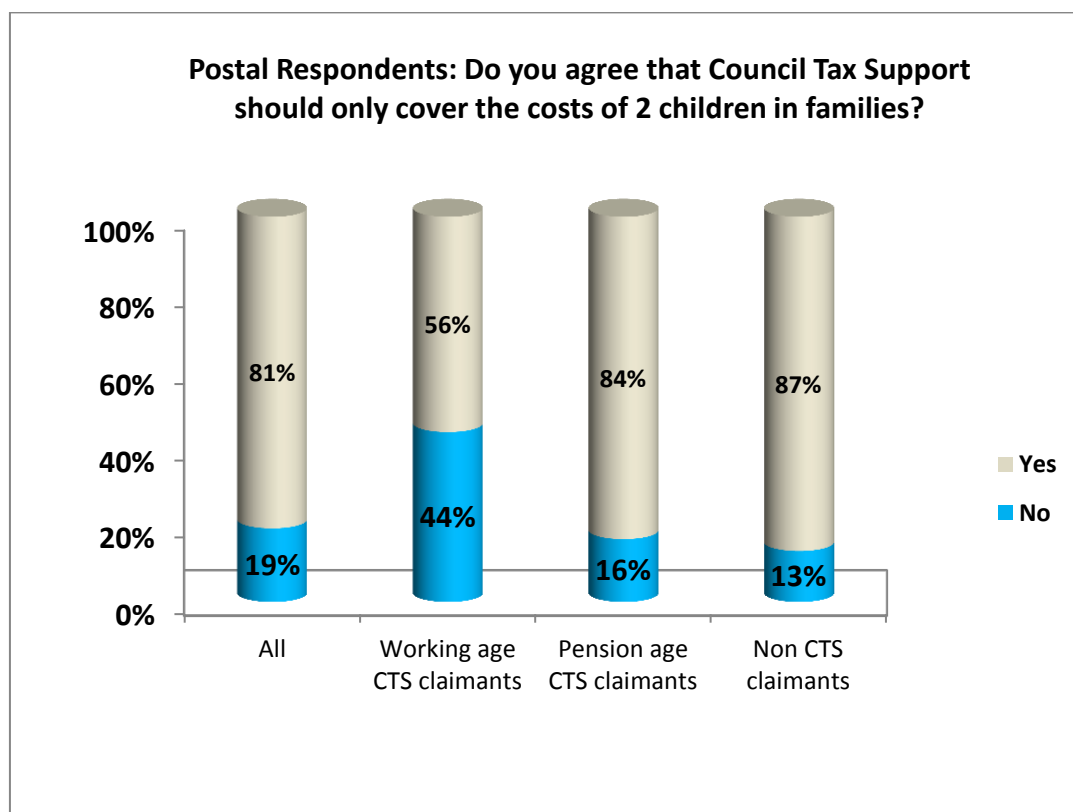
### Overall response – part b.

The overall response to part (b) of this question was 77% agreed to a two child limit for personal allowance for claimants with dependent children. This means households with more than 2 children, each additional child's allowance will not be deducted from the household's income in assessing eligibility for Council Tax Support. These households would therefore be receiving less support and paying more Council Tax.

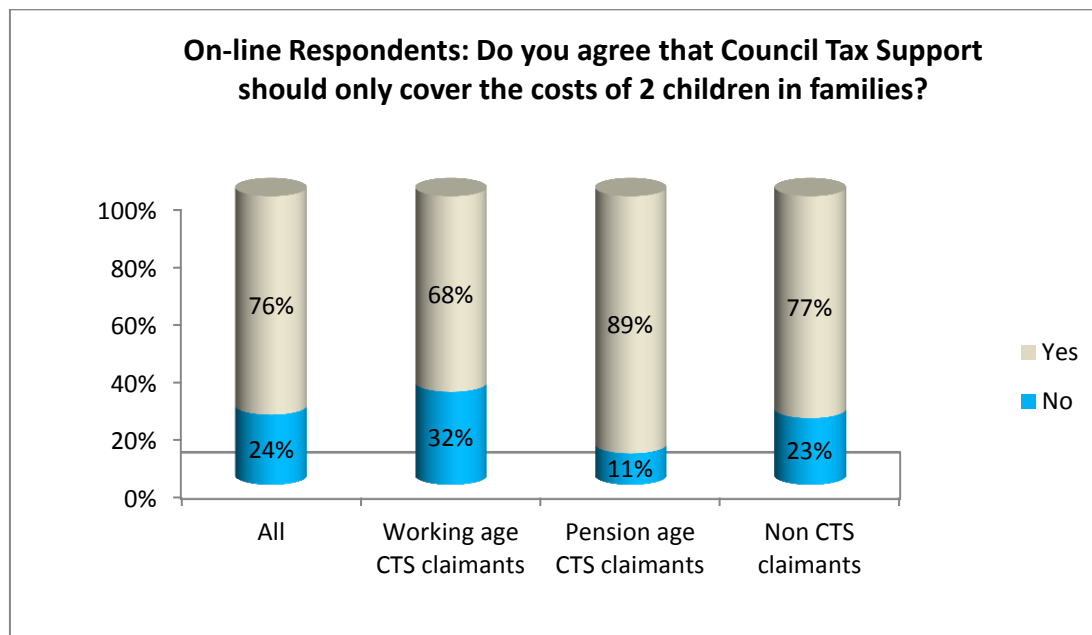


#### Analysis of Respondents by Survey Type.

Of the postal responses received, overall 81% were in favour of Council Tax Support should be limited to cover the costs of 2 children in families, however the group that would most likely be affected by this change, Working Age claimants, only 56% supported this limit.

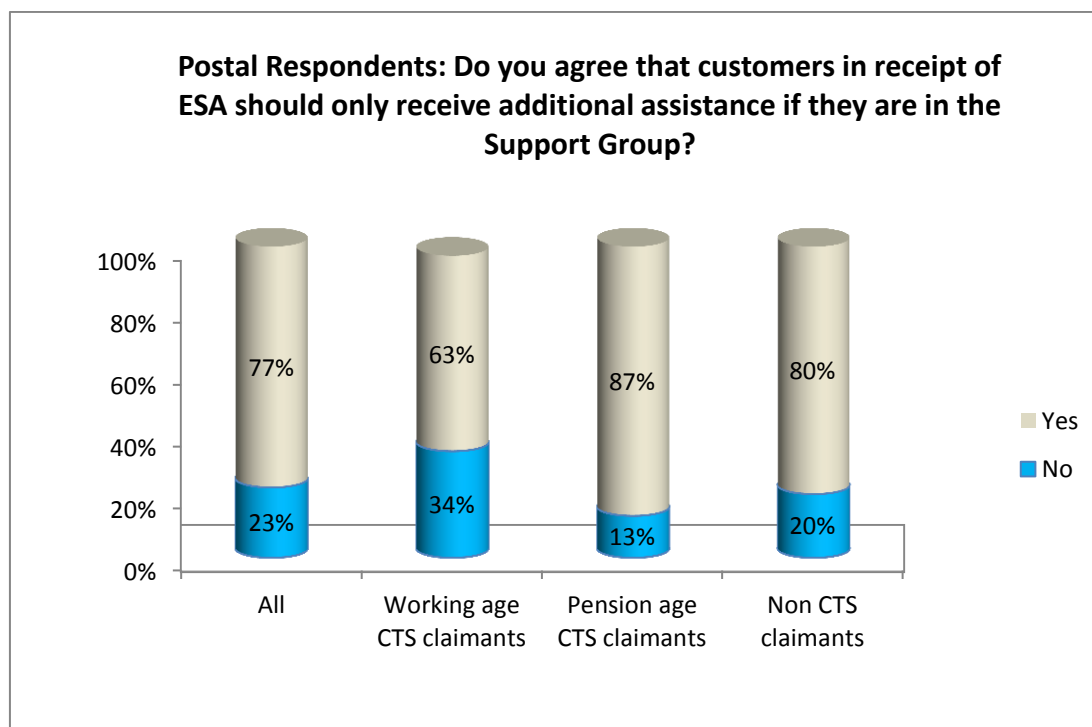


Of the on-line responses received, overall 76% were in favour of only covering the costs of 2 children in families. Again the least support received for this restriction was from Working Age respondents in receipt of Council Tax Support.



#### Overall response – part c.

The overall response to part (c) of this question, was, yes, claimants on Employment Support Allowance (ESA) should receive additional support if they are in the Support Group with 77% agreeing to this statement. Of those who provided further commentary, a number of respondents felt they were unable to answer the question, as they do not know enough about ESA or the requirements to be in a Support Group.





Question 5 provided the respondents with the opportunity to raise anything else which they believed should alter in respect of the CTR scheme.

**Q5 Are there any other changes you would like to see to the Council Tax Support scheme 2018/19 or any further comments you would like to make regarding the scheme?**

Please write your answer here: .....

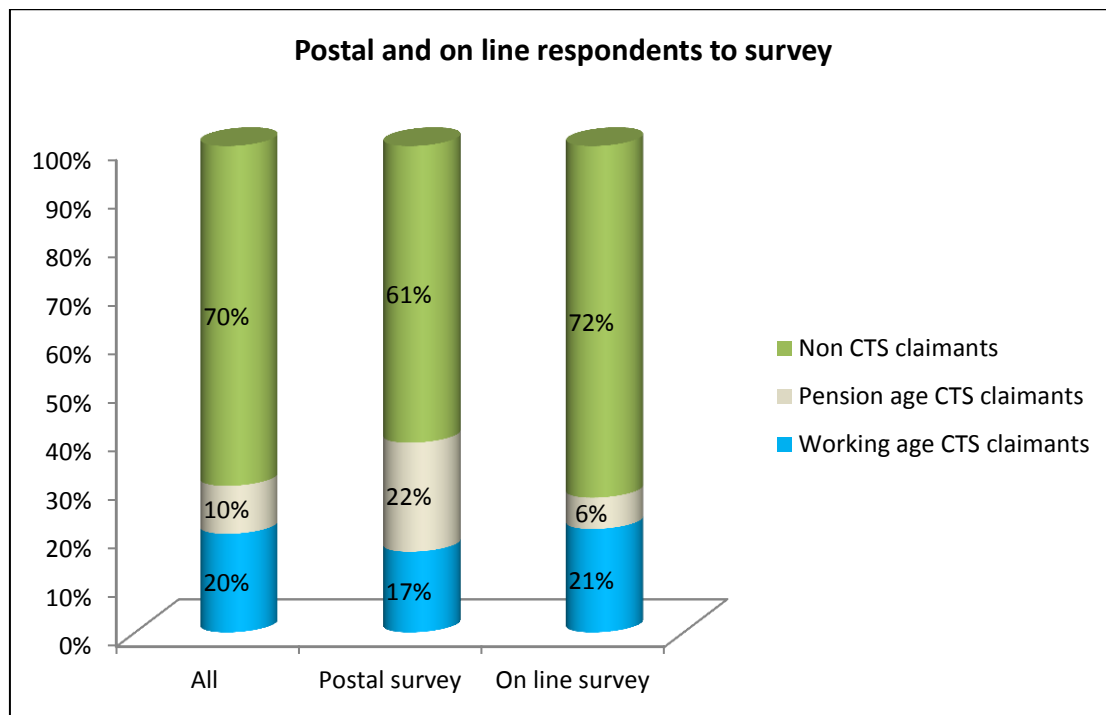
Where respondents did suggest changes, responses here fell into a number of broad categories with many suggesting the following:

- Undertaking better checks into those receiving CTR
- Increased protection for certain categories of people such as the disabled or single parents
- Employing a sliding scale of assistance
- Limiting the support further e.g. to those living in the lowest CTAX band
- Helping citizens to help themselves through employment opportunities

Q6	Please choose any of these that apply:	Yes	No
a.	Are you currently in receipt of Council Tax Support?	<input type="checkbox"/>	<input type="checkbox"/>
	If you answered yes to (6a) please tick one of the following:		
bi.	Are you a pensioner?	<input type="checkbox"/>	<input type="checkbox"/>
bii.	Are you of working age?	<input type="checkbox"/>	<input type="checkbox"/>

### Overall response

Of those who completed the survey, overall 70% were from respondents not in receipt of Council Tax assistance, and 30% confirmed they were either pension age or working age currently receiving Council Tax Support.



Report No.  
CSD17172

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:**      **COUNCIL**

**Date:**                      **Monday 11 December 2017**

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

**Title:**                      **BUDGET MONITORING 2017/18**

**Contact Officer:**      Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743      E-mail: [graham.walton@bromley.gov.uk](mailto:graham.walton@bromley.gov.uk)

**Chief Officer:**              Mark Bowen, Director of Corporate Services

**Ward:**                      N/A

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1.      Reason for report

- 1.1      At its meeting on 6<sup>th</sup> December 2017, the Executive is due to consider the attached Budget Monitoring report. The report includes a recommendation that Council should agree to transfer £3.5m from Central Contingency to the Investment Fund – this is detailed in paragraph 3.2.8 of the attached report. The decision of the Executive will be confirmed before the Council meeting.

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2.      **RECOMMENDATION**

**Subject to the decision of the Executive on 6<sup>th</sup> December 2017, Council is recommended to agree that a sum of £3.5m be transferred from Central Contingency to the Investment Fund.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: Not Applicable: Further Details
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Council wide
  4. Total current budget for this head: £206m
  5. Source of funding: See appendix 1 to the attached report for overall funding of the Council's budget.
- 

## Personnel

1. Number of staff (current and additional): 2,327 (per 2017/18 budget) including 701 for delegated budget to schools.
  2. If from existing staff resources, number of staff hours: Not applicable
- 

## 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 2015; the Local Government Act 2000 and the Local Government Act 2002.
  2. Call-in: Not Applicable:
- 

## Procurement

1. Summary of Procurement Implications: Not Applicable
- 

## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2017/18 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 the users of services.
- 

## Ward Councillor Views

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

PART 1 - PUBLIC

---

**Decision Maker:**      **Executive  
Council**

**Date:**                      **6<sup>th</sup> December 2017  
11<sup>th</sup> December 2017**

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

**Title:**                      **BUDGET MONITORING 2017/18**

**Contact Officer:**      Tracey Pearson, Chief Accountant  
Tel: 020 8313 4323   E-mail: tracey.pearson@bromley.gov.uk

**Chief Officer:**              Director of Finance

**Ward:**                      Borough Wide

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1.    Reason for report

- 1.1   This report provides the second budget monitoring position for 2017/18 based on expenditure and activity levels up to the end of September 2017. 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.    **RECOMMENDATION(S)**

2.1   **Executive are requested to:**

- (a)   consider the latest financial position;
- (b)   note that a projected net overspend on services of £221k is forecast based on information as at September 2017;
- (c)   consider the comments from the Deputy Chief Executive and Director of Education, Care and Health Services, the Executive Director of Environment and Community Services and the Director of Corporate Services as detailed in Appendix 2;
- (d)   note a projected variation of £459k credit from investment income as detailed in sections 3.6 and 3.7;
- (e)   note a projected reduction to the General Fund balance of £271k as detailed in section 3.4;
- (f)   agree the release of £559k from the 2017/18 Central Contingency as detailed in para. 3.2.2;

- (g) recommend to Council the transfer of £3.5m from the Central Contingency to the Investment Fund as detailed in para. 3.2.8;**
- (h) note the full year costs pressures of £3.3m as detailed in section 3.5;**
- (i) identify any issues that should be referred to individual Portfolio Holders for further action.**

**2.2 Council are requested to:**

- (a) agree that a sum of £3.5m be transferred to the Investment Fund as detailed in para. 3.2.8;**

### 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: £206.0m
  5. Source of funding: See Appendix 1 for overall funding of Council's budget
- 

### Staff

1. Number of staff (current and additional): 2,327 (per 2017/18 Budget), which includes 701 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 2015; 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 2017/18 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 Summary of Projected Variations

3.1.1 The Resources Portfolio Plan included the target that each service department will spend within its own budget. Current projections show an overall net overspend of £221k on portfolio budgets and a £510k credit variation on central items.

3.1.2 A summary of the 2017/18 budget and the projected outturn is shown in the table below:

	2017/18 Original Budget £'000	2017/18 Latest Budget £'000	2017/18 Projected Outturn £'000	2017/18 Variation £'000
<b>Portfolio</b>				
Care Services	68,272	70,622	70,683	61
Education & Children's Services (incl. Schools Budget)	37,359	37,835	38,483	648
Environment	29,179	29,560	29,029	Cr 531
Public Protection & Safety	1,963	2,122	2,152	30
Renewal & Recreation	7,693	9,433	9,433	0
Resources	45,265	45,938	45,951	13
<b>Total Controllable Budgets</b>	<b>189,731</b>	<b>195,510</b>	<b>195,731</b>	<b>221</b>
Capital, Insurance & Pension Costs	11,244	11,244	11,244	0
Non General Fund Recharges	Cr 730	Cr 730	Cr 730	0
<b>Total Portfolio Budgets</b>	<b>200,245</b>	<b>206,024</b>	<b>206,245</b>	<b>221</b>
Contingency Provision	14,957	7,493	7,442	Cr 51
Interest on General Fund Balances	Cr 2,891	Cr 2,891	Cr 3,391	Cr 500
Income from Investment Properties	Cr 9,854	Cr 9,854	Cr 9,813	41
Other Central Items	2,629	6,129	6,129	0
General Government Grants & Retained Business Rates	Cr 55,508	Cr 55,837	Cr 55,837	0
Collection Fund Surplus	Cr 6,401	Cr 6,401	Cr 6,401	0
<b>Total Central Items</b>	<b>Cr 57,068</b>	<b>Cr 61,361</b>	<b>Cr 61,871</b>	<b>Cr 510</b>
<b>Total Variation</b>	<b>143,177</b>	<b>144,663</b>	<b>144,374</b>	<b>Cr 289</b>

3.1.3 A detailed breakdown of the latest approved budgets and projected outturn for each Portfolio, together with an analysis of variations, is shown in Appendix 3.

3.1.4 Comments from the Deputy Chief Executive and Executive Director of Education, Care and Health, the Executive Director of Environment and Community Services and the Director of Corporate Services are included in Appendix 2.

#### 3.2 Central Contingency Sum

3.2.1 Details of the allocations from and variations in the 2017/18 Central Contingency are included in Appendix 4.

3.2.2 The Central Contingency includes £350k relating to the estimated financial impact of the business rate revaluation on Council run properties from April 2017. The actual impact of the revaluation exercise has resulted in an increase of £559k and Members are requested to approve the drawdown of this sum from the Central Contingency. These additional costs have been offset by an equivalent reduction of £209k in the provision for unallocated inflation.



- 3.2.3 At the time of writing this report there may be further reports elsewhere on the agenda relating to General Data Protection Regulations and the CRM System, any funding implications in the current year have not been included at this stage.
- 3.2.4 On 16<sup>th</sup> October 2017 the Council received notification of £255k funding for the Homelessness Reduction Act Grant – New Burdens funding. The Homelessness Reduction Act makes significant changes to the current homelessness legislation by placing duties on local authorities to intervene earlier and prevent a homelessness crisis for all households. This legislation comes into force on the 1<sup>st</sup> April 2018.
- 3.2.5 The Council received a late notification of £2.1m funding for the Flexible Homelessness Support Grant. The new grant will empower councils with the freedom to support the full range of homelessness services. This could include employing a homelessness prevention or tenancy support officer to work closely with people who are at risk of losing their homes.
- 3.2.6 Bromley recently received the sum of £50,910 from the Royal Borough of Kensington and Chelsea (RBKC) as our share of the residual balance relating to the winding up of the South London Connexions Consortium some years ago. RBKC were holding on to this balance pending possible legal action from CfBT who were the contractors. This legal action is now statute barred and RBKC have distributed the balance it was holding to several London boroughs including Bromley. This sum has been allocated to the Central Contingency.
- 3.2.7 A prudent approach was adopted in considering the 2017/18 Central Contingency sum to reflect any inherent risks, the potential impact of any new burdens, population increases or actions taken by other public bodies which could affect the Council. If the monies are not required then the general policy has been to use these for growth, investment and economic development to generate additional income and provide a more sustainable financial position.
- 3.2.8 Based on the latest financial position, there is a forecast net variation of £3.5m following a review of the remaining contingency provisions and an estimate of likely further drawdown requirements for the remainder of the year. It is therefore proposed to allocate £3.5m not required in the current year from the 2017/18 Central Contingency to provide one-off funding for the Investment Fund. The future use of this funding will be subject to a detailed report to Members for approval. The setting aside of this funding will also require the approval of Council.
- 3.2.9 The position will continue to be closely monitored and the utilisation of any further variations in the Central Contingency will be considered in future budget monitoring reports.

### **3.3 Carry Forwards from 2016/17 to 2017/18**

- 3.3.1 On 20<sup>th</sup> June 2017 Executive approved the carry forward of 2016/17 underspends totalling £447k (net) subject to the funding being allocated to the Central Contingency to be drawn down on the approval of the relevant Portfolio Holder. In addition, £113k relating to the Council's repairs and maintenance budgets was carried forward as agreed by Executive on 22<sup>nd</sup> March 2017 bringing the total carried forward to £560k.

### **3.4 General Fund Balances**

- 3.4.1 The level of general reserves is currently projected to reduce by £271k to £19,729k at 31<sup>st</sup> March 2018 as detailed below:

	2017/18 Projected Outturn £'000
<b>General Fund Balance as at 1st April 2017</b>	<b>Cr 20,000</b>
Net Variations on Services & Central Items (para 3.1)	Cr 289
Adjustments to Balances:	
Carry Forwards (funded from underspends in 2016/17)	560
<b>General Fund Balance as at 31st March 2018</b>	<b>Cr 19,729</b>

### 3.5 Impact on Future Years

- 3.5.1 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:

	2017/18 Budget £'000	2018/19 Impact £'000
<b>Care Services Portfolio</b>		
Assessment & Care Management - Care Placements	20,810	438
Learning Disabilities - Care Placements, Transport & Care Management	31,138	1,788
Mental Health - Care Placements	5,938	168
Supporting People	1,072	Cr 65
Housing Needs - Temporary Accommodation	7,535	88
Children's Social Care	33,390	718
		3,135
<b>Public Protection &amp; Safety Portfolio</b>		
Mortuary & Coroners Service	403	56
<b>Resources Portfolio</b>		
Legal Services - Legal / Counsel Fees	89	140
<b>TOTAL</b>		<b>3,331</b>

- 3.5.2 Given the significant financial savings that the Council will need to make over the next four years, it is important that all future cost pressures are contained and that savings are identified early to mitigate these pressures.
- 3.5.3 Further details, including action to be taken to contain future cost pressures, are included in Appendix 5.

### Investment Income

### 3.6 Interest on Balances

- 3.6.1 As a result of the anticipated reduction in balances available for investment due to further utilisation of the Investment and Growth Funds and the Highways Investment capital scheme, combined with the anticipated lower rates that will be available on new investments, a reduction of £600k has been included in the 2017/18 budget.
- 3.6.2 Although the Council has seen a significant reduction in the rates offered for new fixed-term deposits as well as overnight money market funds, a surplus of £500k is currently projected for the year, mainly due to the continued high level of balances available for

investment, as well as the further investment in pooled funds, and high level of interest earned on the pooled funds, housing association deposits and Project Beckenham loan.

- 3.6.3 The Council's performance on treasury management is in the top 10% among local authorities. Details of the Treasury Management Annual Investment Strategy for 2017/18 were reported to Council on 1<sup>st</sup> March 2017, and the performance for the second quarter of 2017/18, including a mid-year review of the Strategy, was reported to Executive and Resources PDS Committee on 29<sup>th</sup> November 2017.

### **3.7 Income from Investment Properties**

- 3.7.1 There is a total projected net deficit of £41k for income from Investment Properties as summarised in the table below.
- 3.7.2 There is a projected net surplus of £79k on the Investment Fund properties as a result of the acquisition of Trinity House completed in April 2017.
- 3.7.3 A deficit of £92k is projected for the rent share from The Glades Shopping Centre based on the minimum rent share of £1.88m. It is difficult to provide a precise forecast as net income is determined by the rental income from the shops offset by contributions to any minor works.
- 3.7.4 Following the combination of the surrender of leases offset by an increase in rental income following rent reviews, there is an expected net shortfall of £28k from other investment properties.

<b>Summary Variations</b>	<b>£'000</b>	
Surplus Income from Investment Fund Properties	Cr	79
Deficit Income from the Glades Shopping Centre		92
Net Shortfall of Income from Other Investment Properties		28
<b>Total</b>		<b>41</b>

### **3.8 The Schools Budget**

- 3.8.1 Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided for 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.
- 3.8.2 There is a total projected underspend of £124k on DSG funded services, which will be added to the £1.623m carried forward from 2016/17. Details of the 2017/18 monitoring of the School's Budget will be reported to the Education & Children's Services Portfolio Holder.

### **3.9 Investment Fund and Growth Fund**

- 3.9.1 Full details of the current position on the Investment Fund and the Growth Fund are included in the Capital Programme Monitoring report elsewhere on the agenda. The uncommitted balances currently stand at £20.6m on the Investment Fund and £8.2m on the Growth Fund.

## **4. FINANCIAL CONTEXT**

- 4.1 The 2017/18 Council tax report identified the latest financial projections and a future year budget gap due to the impact of inflation, service and cost pressures and ongoing significant reductions in government funding. More details were reported in the “2017/18 Council Tax” report to Executive in February.
- 4.2 As reported as part of the Council’s financial strategy, a prudent approach has been adopted in considering the central contingency sum to reflect any inherent risks, the potential impact of new burdens, population increases or actions taken by other public bodies which could affect the Council. The approach has also been one of “front loading” savings to ensure difficult decisions are taken early in the budgetary cycle, to provide some investment in specific priorities, to fund transformation and to support invest to save opportunities which provide a more sustainable financial position in the longer term.
- 4.3 The 2017/18 Council Tax report identified a budget gap of £23.6m per annum by 2020/21. Additional funding of £5.2m was included in the 2017/18 budget for Children’s Social Care and £2.2m for Education SEN and Adult Social Care to mainly reflect the impact of in-year overspends and additional staffing (Children’s Social Care). The financial forecast and budget will be affected by inflation, changes in government funding and new burdens and realistically any future year overspends will need to be funded from alternative savings. It is therefore important to ensure that action is taken, where possible, to contain costs within budget which also mitigates against the risk of the Council’s budget gap increasing further which would increase the savings required in future years.

## **5. IMPACT ON VULNERABLE ADULTS AND CHILDREN**

- 5.1 The 2017/18 budget reflects the financial impact of the Council’s strategies and service plans which impact on all of the Council’s customers and users of our services.

## **6. POLICY IMPLICATIONS**

- 6.1 The “Building a Better Bromley” objective of being an Excellent Council refers to the Council’s intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.
- 6.2 The “2017/18 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2017/18 to minimise the risk of compounding financial pressures in future years.

## **7. FINANCIAL IMPLICATIONS**

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

<b>Non-Applicable Sections:</b>	Legal, Personnel, Procurement
Background Documents: (Access via Contact Officer)	Provisional final Accounts - Executive 20 <sup>th</sup> June 2017; 2017/18 Council Tax – Executive 8 <sup>th</sup> February 2017; Draft 2017/18 Budget and Update on Council's Financial strategy - Executive 11 <sup>th</sup> January 2017; Capital Programme Monitoring Report – elsewhere on agenda; Treasury Management Annual Report 2016/17 – Council 26 <sup>th</sup> June 2017; Treasury Management Annual Investment Strategy 2017/18 – Council 1 <sup>st</sup> March 2017; Financial Management Budget Monitoring files across all Portfolios.

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## GENERAL FUND - PROJECTED OUTTURN FOR 2017/18

Portfolio	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Latest Approved Budget £'000	2017/18 Projected Outturn £'000	Variation £'000	Variation previously reported to Exec 19/07/17 £'000
Care Services	68,272	1,424	69,696	69,757	61	990
Education & Children's Services (incl. Schools' Budget)	37,359	476	37,835	38,483	648	627
Environment	29,179	381	29,560	29,029	Cr 531	Cr 22
Public Protection & Safety	1,963	159	2,122	2,152	30	66
Renewal & Recreation	7,693	1,740	9,433	9,433	0	0
Resources	45,265	673	45,938	45,951	13	Cr 38
<b>Total Controllable Budgets</b>	<b>189,731</b>	<b>4,853</b>	<b>194,584</b>	<b>194,805</b>	<b>221</b>	<b>1,623</b>
Capital, Insurance & Pensions Costs (see note 2)	11,244	0	11,244	11,244	0	0
Non General Fund Recharges	Cr 730	0	Cr 730	Cr 730	0	0
<b>Total Portfolios (see note 1)</b>	<b>200,245</b>	<b>4,853</b>	<b>205,098</b>	<b>205,319</b>	<b>221</b>	<b>1,623</b>
<b>Central Items:</b>						
Income from Investment Properties	Cr 9,854	0	Cr 9,854	Cr 9,813	41	Cr 100
Interest on General Fund Balances	Cr 2,891	0	Cr 2,891	Cr 3,391	Cr 500	Cr 100
<b>Total Investment Income</b>	<b>Cr 12,745</b>	<b>0</b>	<b>Cr 12,745</b>	<b>Cr 13,204</b>	<b>Cr 459</b>	<b>Cr 200</b>
<b>Contingency Provision (see Appendix 3)</b>	14,957	Cr 7,464	7,493	7,442	Cr 51	0
<b>Other central items</b>						
Reversal of net Capital Charges (see note 2)	Cr 9,901	0	Cr 9,901	Cr 9,901	0	0
Contribution to Transition and Other Funds	2,552	0	2,552	2,552	0	0
Contribution to Investment Fund	0	3,500	3,500	3,500	0	0
Utilisation of Prior Year Collection Fund Surplus	6,401	0	6,401	6,401	0	0
New Homes Bonus Support for Revenue	2,256	0	2,256	2,256	0	0
Levies	1,321	0	1,321	1,321	0	0
<b>Total other central items</b>	2,629	3,500	6,129	6,129	0	0
<b>Total all central items</b>	<b>4,841</b>	<b>Cr 3,964</b>	<b>877</b>	<b>367</b>	<b>Cr 510</b>	<b>Cr 200</b>
<b>Bromley's Requirement before balances</b>	<b>205,086</b>	<b>889</b>	<b>205,975</b>	<b>205,686</b>	<b>Cr 289</b>	<b>1,423</b>
Carry Forwards from 2016/17 (see note 3)	0	Cr 447	Cr 447	0	447	447
Carry Forward from 2016/17 (R&M)	0	Cr 113	Cr 113	0	113	113
<b>Adjustment to Balances</b>	0	0	0	Cr 271	Cr 271	Cr 1,983
Revenue Support Grant	205,086	329	205,415	205,415	0	0
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 10,855	0	Cr 10,855	Cr 10,855	0	0
New Homes Bonus	Cr 36,505	0	Cr 36,505	Cr 36,505	0	0
New Homes Bonus Topslice	Cr 6,096	0	Cr 6,096	Cr 6,096	0	0
Transition Grant	0	Cr 329	Cr 329	Cr 329	0	0
Collection Fund Surplus	Cr 2,052	0	Cr 2,052	Cr 2,052	0	0
<b>Bromley's Requirement</b>	<b>Cr 6,401</b>	<b>0</b>	<b>Cr 6,401</b>	<b>Cr 6,401</b>	<b>0</b>	<b>0</b>
GLA Precept	143,177	0	143,177	143,177	0	0
<b>Council Tax Requirement</b>	<b>35,989</b>	<b>0</b>	<b>35,989</b>	<b>35,989</b>	<b>0</b>	<b>0</b>
	<b>179,166</b>	<b>0</b>	<b>179,166</b>	<b>179,166</b>	<b>0</b>	<b>0</b>

# Budget Variations allocated to portfolios in year consists of:	£'000
1) Carry forwards from 2016/17 (see note 3)	560
2) Allocations from the central contingency provision (see Appendix 4)	7,793
	<u>8,353</u>

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Latest Approved Budget £'000	2017/18 Projected Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	120,534	1,397	121,931	122,643	712	1,626
Environment & Community Services	54,785	3,022	57,807	57,168	Cr 639	Cr 100
Chief Executive's Department	24,926	434	25,360	25,508	148	97
	<b>200,245</b>	<b>4,853</b>	<b>205,098</b>	<b>205,319</b>	<b>221</b>	<b>1,623</b>

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 2016/17**

Carry forwards from 2016/17 into 2017/18 totalling £560k were approved by the Executive and under the delegated authority of the Director of Finance. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2016/17" report.

# **1 Comments from the Deputy Chief Executive and Executive Director of Education, Care and Health Services Department**

## **Care Services Portfolio**

- 1.1 There continues to be pressures in Adult Social Care mainly due to placements, domiciliary care and direct payments. Management action is addressing savings targets although these are a challenge in most areas where demand for services is increasing. We continue to scrutinise and review all applications for care and support, and have plans in place to review all care packages to ensure our vulnerable residents are appropriately cared for with the best use of resources.
- 1.2 We continue to see much more complexity in users' needs as they come through to us later in their journeys. We have much more work to do in reviewing high cost placements, ceiling rates and assessments whilst working to manage parental expectations within Learning Disabilities. The department will be working to look at other efficiency plans that may require policy change, and have in place member agreement to use the IBCF to develop workforce and provider market initiatives for us to better understand the needs of our population and the impact on care and support.
- 1.3 Commissioning activity continues to secure value for money through contract negotiations making a significant contribution to the savings targets.
- 1.4 In Housing there is continued monitoring to ensure that the Mears property acquisition performs in line with the target numbers set. Approval has been given to progress to tender for a modular homes site. The early intervention team is now up and running to slow down the rate of placements. This work is currently bringing the numbers back down to the level of increase previously predicted. However in light of the continued roll out of universal credit and introduction of the Homeless Reduction Act, as previously reported it is expected that numbers will increase further in the new year. The full impact of the new duties under the Homelessness Act is currently under assessment following the release of the draft code of guidance and will be reported to the executive in December.
- 1.5 On one of the travellers sites further court dates have been set for December as we need to address a number of unauthorised occupants. Work is ongoing via Amey to assess potential refurbishment options to reduce current utility costs.
- 1.6 Work is being undertaken, led by the Deputy Chief Executive and Executive Director of ECH&S and an action plan has been developed working on a multi-agency basis to resolve the issues. However analysis is currently being undertaken regarding options for refurbishment of the site to install metered utilities and address a number of repairing issues to enable full utilisation of all pitches and reduce ongoing maintenance costs. The full business case will be reported back once this work has been completed.



## 1.7 Analysis of Risks

The risks in the Care Services Portfolio are:-

- i) impact of the National Living Wage across Care Services and the impact on contracts
- ii) increased complexity of clients coming through the system
- iii) increasing number of clients coming through the system
- iv) increased homelessness and the associated costs
- v) introduction of the Homeless Reduction Act
- vi) increased rent arrears arising from the rollout of Universal Credit in 2018/19

## **Education & Children's Services**

- 1.8 In Children's Social care we are continuing to interview permanent staff and the ambition is by December we will have around 10% locum staff in place. A recruitment drive over the spring/ summer period has resulted in permanent staff being appointed and in the pipeline with waiting notice periods being undertaken. In addition we have been successful in converting 15 locum staff to permanent. At the beginning of the year there was only 42% permanent staff and with the work undertaken this should result in a significant increase to around 80%.
- 1.9 In addition we are ensuring that locum staff take 4 weeks leave every year which further reduces the agency cost. We are ensuring that there is a gap in terms of staff leaving and recruiting and this will support the focus on the budget. We have been very determined in Bromley we would only recruit high calibre skilled staff to work with our children and we continue with this ambition. During our Ofsted monitoring visits this has been borne out by the improvement we are making and the quality of staff and improvement in practice and outcomes for children. We are beginning another round of recruitment drives and in addition a further locum conversion event.
- 1.10 In Leaving Care the 18+ panel has been established to consider the cost of placements for this age group, we have seen reductions in the cost of placements in this cohort but equally ensuring that such placements are of good quality and support available. Our colleagues in housing are part of this panel and going forward housing benefit is being claimed. Historically there has not been such rigour around this and we are visiting the legacy cases to ensure we can reduce the historic overspend and housing benefit is claimed as appropriate. The officer in the leaving care team has worked with certain providers and has negotiated a reduction in fees for this cohort of young people. There is a stronger more developed framework around providers through the housing action plan and commissioning; assessing late entrants through the MASH and in cooperation with housing assessments and Family Group Conferencing. The on stream beds with De Paul which can take 16+ for 8 weeks for assessment are preventing some young people going outside the borough.
- 1.11 Staying Put is increasing within the service and this is a very positive outcome for our children but will need to be considered as growth within base budgets going forward, there have been no predictions for this in the past as growth area. In addition with the recent Social Work Act we will be responsible for young people up to the age of 25 and this will add a further unforeseen impact.

- 1.12 We continue to monitor placements through the weekly Placement Panel. The number of complex and challenging young people continues to require specialist placements. In addition there is a lack of secure placements for young people who would meet the threshold but where there is no bed available. We are aware for every bed vacant there is a large number of referrals from across all Local Authorities. This is an area that is being raised at national level. The outcome of this is that young people are therefore requiring not only more specialised placements but required 2 or 3 to 1 staffing which greatly inflates the costs – resulting in being around £1,000 or more per week than a secure bed at the cost of around £6,500. In addition London Care Placements have requested increase in costs of placement by certain provider to around 8.9% and 3.9% for IFA's overall which is an example of market pressure and demand. Some costs are negotiated for less for those providers inside this agreement but other providers primarily outside London are not affiliated. There is likely to be a further rise of around 3% in the forthcoming year – these costs cannot be controlled by the Local Authority.
- 1.13 We have reviewed our children subject to S20 and any rehabilitation plans and 9 children have been returned home this year safely to parents. We continue to review all high cost placements regularly to ensure that they are meeting the needs of the children but that where possible we are returning children to resources within the borough.
- 1.14 We have received some additional CCG funding but also continue to review and concentrate on 'fair' funding with our CCG colleagues around our complex and challenging young people especially the risks and impact on their mental health and wellbeing. . We have reviewed our fostering service and how we improve the number of foster carers; how placements are used and the training that can be given to encourage them to support our young people in Bromley. We have already identified a small number of foster carers who are keen to become mother and baby placements – this carries a high risk factor and training and support is needed. However if this is achieved our children will be local to us; they will be assessed in their community and the cost of residential placements which can be in excess of £50,000 for a 12 week assessment reduced. We are also looking with Bromley College to recruit, train, support and reward those carers who are skilled to support our more challenging young people.
- 1.15 We have reviewed those children with our education colleagues who are now equally funding those children in residential placements receiving education. The majority of Education DSG funded budgets come from the high needs block and overall are showing an underspend. Where overspends have been identified these have been covered off by underspends in other areas where possible. However there are future pressures manifesting themselves in the High Needs Block of the DSG where it is predicted that there will be significant pressures over the next few years due to growing demands without the necessary increases in funding. The current root and branch review of the high needs block should help to mitigate such pressures. However, it must be remembered that some of the budgets, particularly SEN transport and placements, are 'on demand' budgets which cannot always be accurately forecast.

- 1.16 There is a requirement for all existing statement of special educational needs (SEN) plans to be transferred to the new ECHP plan by 31 March 2018. Additional budget of £115,000 is required to enable the SEN Team bring in additional staff to complete these assessments in order to meet our statutory obligations and duties. The Deputy Chief Executive received a formal letter from the Department of Education seeking assurances that we will meet the key target date of 31 March 2018. A formal letter was also received by the Bromley Parents Forum seeking assurances that these plans will be transferred by the stipulated deadline.
- 1.17 Funding to support costs in CAMHS has been identified from the Better Care Fund (BCF) of £125k for both 2017/18 and 2018/19. This will offset costs being incurred in this area. It is recommended that the Executive agree to the transfer of these funds from BCF.
- 1.18 Analysis of Risks

The risk in the Education and Children's Services Portfolio are:

- i) loss of permanent staff/inability to recruit permanent staff/recruitment and retention of social workers
- ii) limited supply and increasing costs of residential placements
- iii) increased complexity of children
- iv) impact of Social Work Act 2017
- v) income from partners reducing
- vi) school place issues
- vii) introduction of the National Funding Formula and the impact on schools/local authority

## **2 Comments from the Director of Corporate Services (Resources Portfolio)**

- 2.1 Caseloads in children's services continue at a higher level than has previously been the case. Normal caseloads have historically been c 48 new cases per annum. In 2016/17, 98 sets of proceedings were issued and for 2017/18 it is projected that 80 sets of proceedings will be issued. Cases issued already this year stand at 37 for the first six months (April- September) and one case was particularly complex, involving a family with 6 children which has to date incurred costs of £26k. A court fee of £2,025 is payable on each case which means that if an additional 32 cases are issued there will be a cost of £64,800. In addition there are fees for instructions of experts (£150 per application) and for placement orders where the care plan is adoption (£455 per family). There has also been a growth of cases where translation services are required (currently representing c20% of cases) and costs are being incurred for translation of documents, and additional hearings.
- 2.2 As part of the Phase 3 additional funding for the implementation of the Children's Service improvements, £60k was agreed by the Executive on 10<sup>th</sup> January 2017 for an additional Legal post. Childcare cases typically take between 3-9 months to conclude and therefore there is an ongoing cost pressure from cases which were issued in 2016/17 which were not concluded in that year, and this has been exacerbated by the continuing high level of new instructions. As was reported previously, vacancies in the team have been filled with 3 new lawyers with advocacy experience.

They are now in place and are focusing on new instructions as it is often a more efficient use of resources to use Counsel to conclude cases they are already working on. Reverting to the use of in-house staff for advocacy will gradually reduce spend on Counsel costs, however work required to issue the additional proceedings does impact on capacity in this area. As occurred in 2016/17, there may be some additional income to mitigate the overspend (although it is too early to say this with certainty) but there is not presently scope to make savings elsewhere in the service. The reality is that given the significant and ongoing increase in case load it is unrealistic to expect the service to be delivered within budget in the short term.

### **3 Comments from the Executive Director of Environment and Community Services (Environment Portfolio)**

- 3.1 The Environment Portfolio has a net underspend of £531k for 2017/18. This is mainly from two areas - Waste (£272k) and Parking (£171k). Other net variances across the Portfolio total Cr £88k.
- 3.2 The variances in waste are for defaults, waste disposal costs, green garden waste service and recycling material income. Waste tonnages are unpredictable and therefore the variances may not continue in future years.
- 3.3 The net variances in parking are mainly due to a net increase in enforcement contraventions and on street parking offset by a shortfall of income from off street parking. It is expected that the level of compliance will increase and the current level is unlikely to be maintained in future years.

#### **3.4 Analysis of Risks**

##### **3.4.1 Environment Portfolio**

The main financial risk will be the likely increase in prices for the environment contracts, particularly on the Waste service, which will take effect from 1 April 2019 and is likely to be in excess of £2m. Another potential risk area is recycling paper income. Wet weather could affect the quality of the paper and therefore could lead to an issue with the processing of it as 'paper' and a loss of income.

There is always a risk in Parking from the fluctuations in both Enforcement income and income from On and Off Street Parking, but this is difficult to quantify. Income on street works defaults is currently at a reduced level due to a higher level of compliance and so needs to be monitored going forward.

Although no variation is currently projected for the Tree budget, due to the usual risk around storm damage which impacts on the Trees budget, this is a potential risk area. The actual impact is dependent on the weather and the number of trees affected.

### 3.4.2 Renewal & Recreation Portfolio

A substantial part of Planning Services' work attracts a fee income for the Council, for example the planning application fees. The fee income and volume of work reflects the wider economic circumstances affecting development pressures in the Borough. There is a risk of income variation beyond the Council's immediate control; however trends are regularly monitored in order that appropriate action can be taken.

Action has been taken to avoid the risk of Government Designation for Special Measures due to performance and quality of decision making, in spite of high volumes of work. This has reduced the risk of Designation and will be monitored.

A recent Audit of Community Infrastructure Levy processes showed a risk in the full collection of CIL contributions. Agreed remedial action is either completed or underway.

There is a risk of substantial planning appeal costs being awarded against the Council by the Planning Inspectorate if the Council is found to have acted unreasonably.

### 3.4.3 Public Protection & Safety Portfolio

Any high profile inquests or significant increase in volume of cases could further increase the cost of the Coroners service.

## Care Services Portfolio Budget Monitoring Summary

2016/17 Actuals	Division Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
£'000		£'000	£'000	£'000	£'000			
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
22,012	Assessment and Care Management	21,477	22,599	23,741	1,142	1	1,515	1,525
	DOLS funding held in contingency			Cr 118	Cr 118		Cr 118	
	Management action			Cr 170	Cr 170		Cr 500	
1,119	Direct Services	1,073	422	425	3		0	0
1,258	Commissioning & Service Delivery	548	0	0	0		0	0
31,032	Learning Disabilities	30,875	31,138	31,971	833	2	1,041	2,234
	Planned LD savings from management action			Cr 145	Cr 145		Cr 600	
5,588	Mental Health	6,063	5,938	6,141	203	3	Cr 50	268
	Planned MH savings from management action	0	0	Cr 50	Cr 50		0	100
Cr 472	Better Care Funding - Protection of Social Care	0	0	Cr 527	Cr 527	4	Cr 310	0
0	Better Care Fund / Improved Better Care Fund	0	0	Cr 935	Cr 935	5		Cr 629
60,537		60,036	60,097	60,333	236		978	2,394
Operational Housing								
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0	6	0	0
Cr 2,018	Housing Benefits	Cr 1,945	Cr 1,945	Cr 1,945	0		0	
7,128	Housing Needs	6,299	6,609	6,779	170		98	
1,107	Supporting People	1,072	1,072	986	Cr 86		Cr 86	
6,217		5,425	5,735	5,819	84	7	12	23
Programmes								
206	Programmes Team	343	1,383	1,300	Cr 83	8	0	0
	Information & Early Intervention							
2,064	- Net Expenditure	2,960	3,675	3,298	Cr 377		Cr 160	
Cr 2,064	- Recharge to Better Care Fund	Cr 2,960	Cr 3,756	Cr 3,379	377		160	
	Better Care Fund							
20,010	- Expenditure	20,428	20,585	20,585	0		0	
Cr 20,154	- Income	Cr 20,589	Cr 20,746	Cr 20,746	0		0	
	Improved Better Care Fund							
0	- Expenditure	0	4,184	4,184	0		0	
0	- Income	0	Cr 4,184	Cr 4,184	0		0	
	NHS Support for Social Care							
320	- Expenditure	0	1,528	1,528	0		0	
Cr 320	- Income	0	Cr 1,528	Cr 1,528	0		0	
62		182	1,141	1,058	Cr 83		0	0
Strategic & Business Support Services								
261	Learning & Development	267	299	299	0	9	0	0
2,000	Strategic & Business Support	2,156	2,218	2,042	Cr 176		0	
2,261		2,423	2,517	2,341	Cr 176		0	
Public Health								
15,159	Public Health	15,103	15,103	15,059	Cr 44		0	0
Cr 15,478	Public Health - Grant Income	Cr 15,096	Cr 15,096	Cr 15,052	44		0	0
Cr 319		7	7	7	0		0	0
68,758	TOTAL CONTROLLABLE ECHS DEPT	68,073	69,497	69,558	61		990	2,417
Cr 581	TOTAL NON CONTROLLABLE	360	365	372	7		9	0
6,283	TOTAL EXCLUDED RECHARGES	6,285	6,052	6,052	0		0	0
74,460	TOTAL ECHS DEPARTMENT	74,718	75,914	75,982	68		999	2,417
Environmental Services Dept - Housing								
213	Housing Improvement	199	199	199	0		0	0
213	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	199	199	199	0		0	0
Cr 1,149	TOTAL NON CONTROLLABLE	Cr 828	Cr 828	Cr 828	0		0	0
290	TOTAL EXCLUDED RECHARGES	360	360	360	0		0	0
Cr 646	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 269	Cr 269	Cr 269	0		0	0
73,814	TOTAL CARE SERVICES PORTFOLIO	74,449	75,645	75,713	68		999	2,417

Reconciliation of Latest Approved Budget	£'000
<b>2017/18 Original Budget</b>	<b>74,449</b>
<b>Carry Forwards:</b>	
Social Care Funding via the CCG under s75 agreements	
Integration Funding - Better Care Fund	
- expenditure	28
- income	Cr 28
Better Care Fund - GoodGym	
- expenditure	25
- income	Cr 25
Better Care Fund	
- expenditure	132
- income	Cr 132
Fire Safety Grant	
- expenditure	57
- income	Cr 57
DCLG Preventing Homelessness Grant	
- expenditure	153
- income	Cr 153
Community Housing Fund Grant	
- expenditure	62
- income	Cr 62
Implementing Welfare Reform Changes	
- expenditure	56
- income	Cr 56
Helping People Home Grant	
- expenditure	40
- income	Cr 40
<b>Other:</b>	
National Living Wage	912
Homelessness Early Intervention and Visiting	310
Water treatment works	5
Contract monitoring resources transferred to Resources Portfolio	Cr 31
Improved Better Care Fund	
- expenditure	4,184
- income	Cr 4,184
<b>Latest Approved Budget for 2017/18</b>	<b>75,645</b>

**REASONS FOR VARIATIONS****1. Assessment and Care Management - Dr £854k**

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Current</u>
	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory &amp; Cognition</u>	
<b>Services for 65 +</b>	
- Placements	382
- Savings included in 17/18 budget	500
- management action to achieve 17/18 savings	Cr 170
- Domiciliary Care / Direct Payments	283
	<u>995</u>
<b>Services for 18 - 64</b>	
- Placements	127
- Domiciliary Care / Direct Payments	30
	<u>157</u>
<b>Other Services</b>	
- Adult Transport	Cr 31
- Day Care	Cr 147
- Other budgets	Cr 120
	<u>298</u>
	<u>854</u>

The budget for 2017/18 included total savings of £782k in relation to Assessment & Care Management. Overall the service is currently projecting an overspend of £854k, including an assumption that savings of £170k are made during the remainder of the year. If these are not fully achievable then the overspend currently projected will increase. Cost's in this service are extremely volatile, and include significant budgets relating to client contributions which can change significantly during the year.

**Services for 65+ - Dr £995k**

Services for the 65's and over age group has the biggest budget pressure with both residential and community placements currently projecting an overspend. Numbers in both residential and nursing care are currently 31 above the budget number of 389. This is no overall change to the numbers reported for July. There is currently a projected overspend of £382k on these budgets, an increase of £8k since July. The budget has been profiled to take account of the £500k saving required this year, with a reduction in budgeted placement numbers during the year of 50 from 389 in April to 339 in March required to achieve the saving. As actual numbers are still above the budget level, none of this saving has yet been achieved resulting in the management action of £500k being reduced to £170k for the period from October 2017 to March 2018 and the difference of £330k is now being reported as an overspend.

Budgets for domiciliary care continue to see a pressure, although a reduction in the overspend position by £97k is reported this month. An overspend of £309k is now being projected with actual net expenditure currently running at approximately £7k above the budget provision of £79k per week. Direct payments continue to underspend, although this has reduced from a £47k underspend to a £26k underspend this period.

**Services for 18 - 64 year olds - Dr £157k**

Placements for the 18 - 64 age group are projected to be overspent by £127k, a reduction of £10k since July. There has been no change to overall client numbers since July and they remain at 7 above the budget number of 42.

Included in the projection is an assumption around income from Lewisham CCG being received for a service user of £40k. At this stage however it should be noted that this income is not certain and should we not be successful in securing this funding then there is a risk of additional expenditure of £40k on this budget.

Domiciliary care and direct payments are currently projecting an overspend of £30k, which is an increase of £62k since May.

**Other - Cr £298k**

There are projected underspends in adult transport services of £31k and day care of £147k. Other minor projected underspends across various services in the division total of £120k.



There are budget pressures relating to Deprivation of Liberty Safeguards and a projected overspend of £118k is currently anticipated. This is based on the current level of activity continuing and does not allow for any increase in demand or responsibilities. There is £118k set aside in the central contingency for DoLS.

## **2. Learning Disabilities - Dr £688k Net of Planned Management Action**

The full year effect of the 2016/17 overspend was funded in the 2017/18 budget however the 2017/18 LD budget was reduced by £636k (net) for the full year effect of 2016/17 budget savings.

There are significant LD budget pressures this year, including those arising from 2017/18 transition clients and increased, complex client needs. In addition, an 'invest to save' team of staff is employed to work on delivering savings but the cost of this team also adds to the cost pressures.

This set of projections is based on both actual information on current care packages and assumptions regarding clients expected to be placed in the remainder of this financial year, attrition etc. The assumptions include packages that have already been agreed at Panel but where the placement has not yet taken place (where the uncertainty is mainly around start dates) and those clients expected to require new placements or have increased needs this year but for whom costs and start dates are uncertain.

To avoid overstating the assumptions, a 'probability factor' has been applied to reflect experience in previous years which has shown that there tends to be either slippage on planned start dates or clients aren't placed as originally expected. However there is a risk attached to this in that the majority of placements may go ahead as and when planned or there may be clients placed who aren't included in the forecast.

Prior to factoring in planned savings, a projected overspend of £833k is currently anticipated. It has been assumed that savings of £145k can be achieved from management action in the remainder of 2017/18 (£446k in a full year) and this reduces the projected overspend to £688k. Progress on achieving these savings will continue to be monitored closely throughout the year.

A significant amount of the current forecast is based on assumptions and may therefore vary significantly as the year progresses.

## **3. Mental Health - Dr £153k Net of Planned Management Action**

Based on current information, a projected overspend of £153k on Mental Health placements is now anticipated. This figure assumes that £50k of savings can be achieved from management action in the remainder of 2017/18, without which the overspend would be larger.

A degree of mis-classification of new clients' Primary Support Reasons (PSRs) continues from last financial year and this distorts the projections. Current indications are that this is likely to be overstating MH projected spend. Although this may shift the position for Mental Health and other PSRs individually, it won't affect the overall Care Services position as, if the clients are not MH, they will move to another PSR budget but still within Care Services.

## **4. Better Care Fund - Protection of Social Care - Cr £527k**

A number of local authority adult social care services are funded by the element of the Better Care Fund set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services are currently projected to underspend by £527k in 2017/18 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

## **5. Better Care Fund/Improved Better Care Fund - Cr £935k**

On the 13th September 2017 the Executive agreed to allocate £495k from the Better care Fund to alleviate cost pressures that LBB have incurred as a result of reduced preventative services as the contract with Bromley Third Sector Enterprises did not start until the 1st October 2017.

On the 10th October 2017 the Executive agreed to set aside £515k of IBCF funding, in the main as a result additional care packages being identified through the work of the Integrated Care Network. Some of this funding will be used for staffing. The remainder (£440k) will be used to offset costs incurred.

## **6. Housing Needs - Dr £170k**

The Travellers budget is overspending by £98k and this is due to one of the sites experiencing high use of utilities (overspend of £73k) due to the site not having meters and loss of income (£25k) due to particular residents rent arrears.

The remaining £72k overspend is due to use of agency staff to backfill permanent posts in their new remodelled staffing structure to include a new Housing Intervention Team (HIT).

#### **7. Supporting People - Cr £86k**

There is currently expected to be an underspend of £86k. This was expected following the renegotiations of the contracts over the last few years to achieve the savings made on the budget.

#### **8. Programmes Division - Cr £83k (net)**

The total projected underspend for the Division is £460k. Of this, £377k relates to social care services protected by Better Care Funding and included at ref 5 above. This will be used to offset other budget pressures within adult social care in line with the intentions of the funding, leaving an underspend of Cr £83k relating to the Programmes Division. This largely relates to part-year vacancies.

Other than variations on the protection of social care element, it is assumed that any underspends on other BCF budgets will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG.

#### **9. Strategy Division - Cr £176k**

The underspend is, in the main, due to a one off freeze on non essential running expenses across the division. The remaining underspend is due to staff vacancies, etc

#### **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 there were 18 waivers agreed for care placements in adults social care over £50k but less than £100k and 7 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts.

There were no contract waivers agreed during the period.

#### **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 appropriate Executive meeting.

Since the last report there have been the following virements: £152k from the LD placements budget to extend the team of staff supporting the LD efficiency project to the end of the financial year; £132k to fund staff supporting the delivery of efficiencies in other areas; £31k contract monitoring resources transferred to Resources Portfolio. Some elements of previously approved virements have now been funded from IBCF and this element of those virements has been reversed.

## Education &amp; Children's Services Portfolio Budget Monitoring Summary

2016/17 Actuals	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
£'000		£'000	£'000	£'000	£'000		£'000	£'000
	<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>							
	<b>Education Division</b>							
Cr 141	Adult Education Centres	Cr 506	Cr 501	Cr 495	6		Cr 19	0
6	Alternative Education and Welfare Service	0	0	0	0		0	0
432	Schools and Early Years Commissioning & QA	372	372	497	125	1	6	0
5,481	SEN and Inclusion	5,864	5,859	5,805	Cr 54	2	0	0
38	Strategic Place Planning	0	93	93	0		0	0
26	Workforce Development & Governor Services	4	4	7	3		0	0
Cr 1,274	Education Services Grant	Cr 181	Cr 181	Cr 166	15	3	0	0
0	Contingency Drawdown for ESG	0	0	Cr 15	Cr 15	3		
425	Access & Inclusion	139	46	48	2		1	0
Cr 1,134	Schools Budgets	Cr 1,282	Cr 1,282	Cr 1,282	0	4	0	0
245	Other Strategic Functions	127	35	198	163	5	98	0
<b>4,104</b>		<b>4,537</b>	<b>4,445</b>	<b>4,690</b>	<b>245</b>		<b>86</b>	<b>0</b>
	<b>Children's Social Care</b>							
1,516	Bromley Youth Support Programme	1,454	1,459	1,513	54	6	50	0
1,147	Early Intervention and Family Support	1,042	1,044	957	Cr 87	7	0	0
4,041	CLA and Care Leavers	4,227	4,315	4,860	545	8	496	780
0	Management action	0	0	Cr 100	Cr 100		0	Cr 200
12,974	Fostering, Adoption and Resources	12,818	12,774	13,640	866	9	415	1,026
0	Additional contribution from the CCG	0	0	Cr 300	Cr 300		0	0
0	Management action	0	0	Cr 365	Cr 365		0	Cr 888
3,757	Referral and Assessment Service	2,981	3,002	3,159	157	10	33	0
3,056	Safeguarding and Care Planning East	2,405	2,416	2,187	Cr 229	11	Cr 315	0
4,020	Safeguarding and Care Planning West	3,645	3,645	3,714	69	12	123	0
2,825	Safeguarding and Quality Improvement	4,250	4,735	4,528	Cr 207	13	Cr 261	0
<b>33,336</b>		<b>32,822</b>	<b>33,390</b>	<b>33,793</b>	<b>403</b>		<b>541</b>	<b>718</b>
<b>37,440</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION &amp; CHILDREN'S SERVICES</b>	<b>37,359</b>	<b>37,835</b>	<b>38,483</b>	<b>648</b>		<b>627</b>	<b>718</b>
Cr 8,263	<b>Total Non-Controllable</b>	2,029	2,044	2,040	Cr 4		0	0
6,911	<b>Total Excluded Recharges</b>	6,428	6,138	6,138	0		0	0
<b>36,088</b>	<b>TOTAL EDUCATION &amp; CHILDREN'S SERVICES PORTFOLIO</b>	<b>45,816</b>	<b>46,017</b>	<b>46,661</b>	<b>644</b>		<b>627</b>	<b>718</b>
	<b>Memorandum Item</b>							
	<b>Sold Services</b>							
Cr 134	Education Psychology Service (RSG Funded)	Cr 19	Cr 19	23	42	14	Cr 17	0
Cr 16	Education Welfare Service (RSG Funded)	Cr 35	Cr 35	6	41		0	0
11	Workforce Development (DSG/RSG Funded)	Cr 5	Cr 5	Cr 2	3		Cr 1	0
3	Governor Services (DSG/RSG Funded)	0	0	0	0		0	0
16	Community Vision Nursery (RSG Funded)	Cr 14	Cr 14	64	78		2	0
82	Blenheim Nursery (RSG Funded)	14	14	109	95		20	0
<b>Cr 38</b>	<b>Total Sold Services</b>	<b>Cr 59</b>	<b>Cr 59</b>	<b>200</b>	<b>259</b>		<b>4</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2017/18

45,816

SEN Implementation Grant 2017/18

- expenditure 225

- income Cr 225

SEN Pathfinder Grant 2017/18

- expenditure 28

- income Cr 28

Step Up To Social Work Grant

- expenditure 915

- income Cr 915

SEN Implementation Grant 2016/17

- expenditure 21

- income Cr 21

SEN Pathfinder Grant 2016/17

- expenditure 14

- income Cr 14

Early Years Grant

- expenditure 15

- income Cr 15

LA Conversion Academies Sponsor Support

- expenditure 28

- income Cr 28

High Needs Strategic Planning Fund

- expenditure 140

- income Cr 140

Tackling Troubled Families Grant

- expenditure 796

- income Cr 796

Support of completing ECHP Plans

115

Transfer of Central Placements Team from CE to ECHS

60

R&amp;M Water Treatment

14

Business Rates revaluation

12

Latest Approved Budget for 2017/18

46,017

## **REASONS FOR VARIATIONS**

### **1. Schools and Early Years Commissioning & QA - Dr £125k**

There is a pressure of £172k at the two in-house nurseries. This is due to the loss of the recharge from Children Social Care (CSC) following the change in the methodology used to calculate the CSC charge. There is currently a review being undertaken to look at how the nurseries can be put onto a more stable financial footing and become more self sufficient.

Early Years Support has an underspend of £15k that is due to the collection of income being higher than anticipated.

There is also an underspend in the School Standard area of £32k that is due to the underspend in staffing costs.

### **2. SEN and Inclusion - Cr £54k**

SEN Transport is currently forecasted to underspend by £94k. This is due to underspends in staffing costs (£23k) and the over collection of income (£129k). These underspends are offset by the overspends in transport costs (£37k) and the other running costs (£21k).

The Education Psychologists are currently having issues recruiting to the vacant posts in their team. This is causing the statutory service they are required to provide to be underspent by £57k and Trading Service they offer to the Schools to be overspent by £42k - due to the use of expensive agency staff to provide the service. This is a net underspend of £15k.

The Special Education Needs area is currently forecasting an overspend of £71k. This is due to some posts that had grant funding attached to them to fund some of the post being removed for this financial year.

There are other small variances that total an underspend of £16k. This small variance include an underspend on the cost of the Head of Service that has been reduced due to a change in the management of the service.

### **3. Education Services Grant - Dr £0k**

Final payments of the Education Services Grant (ESG) were £15k lower than the original allocation of £181k. The ESG allocation is re-calculated at the end of the grant to take into account any schools converting to academies during the year. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

### **4. 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 current projected underspend in DSG of £124k. This will be added to the £1,623k carried forward from 2016/17. The carry forward figure has been adjusted by the Early Year adjustment which has reduced the amount we received in 2016/17 by £475k. This gives an estimated DSG balance of £1,272k at the end of the financial year.

The in-year underspend is broken down as follows:-

Free Early Years Education is forecast to overspend by £147k this year. The budget for the 2 year old children is expected to overspend by £41k and an overspend for 3 & 4 years old children (both normal 15 and the new additional 15 hours) £122k. Additionally there is a £16k underspend in the staffing needed to support this service. There is potential for the DSG to be clawed back by DfE, depending on the take up of early years services in the financial year. Any adjustment will be made retrospectively.

The Primary Support Team are currently projecting a £52k underspend due to the service having vacant posts while the service is re-designed.

There is a pressure of £58k on the DSG due to the increase the maintained schools having an increase in the rate bills that they have received. This was not factored into their original funding.

The Home and Hospital service has a pressure of £169k due to the splitting out of the Nightingale school from the service. The Home and Hospital service is in the process of being reviewed following the split with the Nightingale School.

There is an underspend of £28k in the Pupil Support Services area. This is due to the under use of agency and consultancy costs to provide the service.

The Education Welfare service is currently forecasted an underspend of £26k due to higher than expected income collection.

SEN placements are projected to overspend by a total of £428k. The overspend are being caused by the Maintained Day (£711k), Independent Day (£340k) and Alternative Programmes (£145k). These overspends are then offset with underspends on Independent Boarding Schools (£1,088k), Maintained Boarding Schools (£38k), Behaviour Services (£123k) and the costs of Matrix Funding (£89k). There is also an additional pressure £570k from changes to the Children's Care Plans.

SEN Support for clients in Further Education Colleges is expected to underspend by £663k this year. The reason for this is due to the underspend in the cost of placing clients in colleges. This is being offset by the cost of placements at Independent providers.

The DSG funded element of SEN Transport is projected to overspend by £111k due to the new routes that were established last year. The level of spend in this area has been lower in previous years. Due to the current funding regulations LBB are not permitted to increase this budget from the previous year.

The High Needs Pre-School Service is currently holding a number of vacant posts resulting in a £118k underspend. There are not currently any plans to recruit to these posts as it is expected that the service will be changing during the year with one of the classes currently being offered by this service being moved to the Riverside School. These posts will provide the funding needed to support the new service.

The Sensory Support Service is underspent by £66k. This is due to staffing costs expected to be lower than budget in year.

A number of areas (SIPS, Darrick Wood Hearing Unit, the Complex Needs Team, Early Years Programme and Outreach & Inclusion Services) all are currently projected to underspend. Most of the underspend relates to lower than expected staffing costs, but there is also a small amount that relates to running costs that are not expected to be incurred during the year. The total of all of these underspends is £78k.

There is also a total small balance of underspends of £6k. This consists of £5k under the SEN heading, and £1k from the non-SEN headings.

	Variations	
	£'000	
Free Early Education - 2 year olds	41	
Free Early Education - 3 & 4 year olds (inc extra 15 hours)	122	
Early Year Support	Cr 16	
Primary Support Team	Cr 52	
Schools Rates	58	
Home & Hospital	169	
Pupil Support Services	Cr 28	
Education Welfare Officers	Cr 26	
Other Small Balances	Cr 1	
SEN:		
- Placements	428	
- Support in FE colleges	Cr 663	
- Transport	111	
- High Needs Pre-school Service	Cr 118	
- Sensory Support	Cr 66	
- SIPS	Cr 34	
- Darrick Wood Hearing Unit	33	
- Complex Needs Team	Cr 20	
- Outreach & Inclusion Service	Cr 45	
- Early Support Programme	Cr 12	
- Other Small SEN Balances	Cr 5	
	<u>Cr 124</u>	

#### **5. Other Strategic Functions - Dr £163k**

£35k of the overspend relates to the additional cost of the 2017/18 Business Rates for the Widmore Centre prior to the EFA taking over the site. The takeover took longer than anticipated.

There is a pressure of £128k due to a saving allocated to Education at the start of the year that has not been identified.

#### **Children's Social Care - Dr £403k**

The main areas of under / overspending are shown below. The May projections include assumptions around increased numbers of placements, as well as controlling expenditure on staffing budgets which overspent by £1.122m in 2016/17. Assumptions made on the level of Agency and pay rates have not all materialised and therefore there has been an increase in staffing costs since the last report. The current overspend has been mitigated in part by management actions due to take place in the remainder of the financial year.

#### **6. Bromley Youth Support Programme - Dr £54k**

The £54k projected overspend in this area is due to agency staff filling vacant posts at a high rate.

#### **7. Early Intervention and Family Support - Cr £87k**

There are projected staffing underspends in the Family Support and Contact centres and the Bromley Children's project.

#### **8. CLA and Care Leavers - Dr £445k**

The cost in relation to clients leaving care continues to overspend for both the 16-17 age group and the 18+ age group for whom housing benefit contributes towards the costs.

The budget in relation to clients aged 16 or 17 is projected to overspend by £138k. Costs have increased over the past year as children are having to be placed in accommodation with higher levels of support than they previously had.

For the 18 plus client group there continues to be differences between the amount being paid in rent and the amount reclaimable as housing benefit, mainly due to lack of supply of suitable accommodation and the rental price of properties, resulting in a projected overspend of £135k. Some additional one off funding has been identified that has offset some of these costs. This is a significant rise in the overspend reported in May which was £47k, due to both increased numbers and increased cost.

In addition expenditure relating to the 'Staying Put' grant, where care leavers can remain with their foster carers after the age of 18, is currently projecting an overspend of £220k against a grant provision of £113k. This is a reduction of £68k from the May reported figure.

Management action of £100k is also assumed in the projected outturn, with officers reviewing levels of housing benefit being claimed for care leavers.

#### **Staffing - Dr £52k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level. The current projected overspend for this service is £52k net of any management action.

**9. Fostering, Adoption and Resources - Dr 201k**

The budget for children's placements is projected to overspend by £140k by year end. This amount includes assumptions for children coming through the system however as these budgets are very volatile and are subject to large fluctuations this figure is likely to change over the course of the year. An analysis of the current projected variations by placement type is shown below.

- Community Home's / Community Home's with Education - Dr £504k
- Boarding Schools - Cr £58k
- Secure Accommodation & Youth on Remand - Dr £186k
- Transport & Outreach services - Cr £72k
- Fostering services (IFA's) - Dr £935k
- Fostering services (In-house, including SGO's and Kinship) - Dr £277k
- Adoption placements - Dr £7k

In addition to the variations above, Bromley CCG have allocated a one off payment of £300k and an additional payment of £500k as a contribution towards the continuing care costs of placements, with an additional £234k also expected to be received. Additional one off funding has been identified of £240k which will offset the overall costs

Additional funding was included in the 2017/18 budget as part of a package of growth within ECHS overall, however placement numbers have increased since the amount required was calculated, resulting in increased expenditure.

Management action of £365k is also assumed in the projected outturn, with officers reviewing costs across the service.

**Staffing - Dr £61k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £61k net of any management action.

**10. Referral and Assessment - Dr £157k****No Recourse to Public Funds - £0k**

The current projected cost to Bromley for people with no recourse to public funding is a balanced budget. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget, however there continued to be a cost pressure in this area. Officers have worked to reduce the numbers being funded and currently there are approximately 23 families being supported, compared with 35 in May. The projection assumes a further reduction in numbers by the end of the financial year.

**Staffing - Dr £157k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £157k net of any management action.

**11. Safeguarding and Care Planning East - Cr £229k****Public Law Outline - Court Ordered Care Proceedings - Cr £332k**

Costs in relation to care proceedings are currently expected to be £332k under the budget provision of £798k. The budget for this was increased significantly in 2017/18 as a result of significant costs identified during 2016/17, which outturned with a spend of around £900k. Current year projections identify reduced costs, although the underspend has fallen from the £443k reported in May.

**Staffing - Dr £103k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £103k net of any management action.

**12. Safeguarding and Care Planning West - Dr £69k****Staffing - Dr £194k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £194k net of any management action.

**Additional funding - Cr £125k**

The Safeguarding West division includes areas such as children with disability and CAHMS. Additional funding has been identified from BCF for the CAHMS service for this year of £125k to cover costs incurred by the service.

**13. Safeguarding and Quality Improvement - Cr £207k****Staffing - Dr £143k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £143k net of any management action.

**Various Expenditure Budgets - Cr £350k**

In November 2016, a freeze was initiated on running expense budgets that were underspending at that time. An amount of budget equal to these underspends was moved to a specific code within Children's Social Care to ensure that they were not spent. Due to the continued overspend in the division it has been decided that this will be replicated for 2017/18, with a sum of £350k being identified this year.

**14. 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 there were 8 waivers agreed for care placements in childrens social care over £50k but less than £100k and 9 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts.

Additionally since the last report to the Executive, there have been 3 waivers actioned in the Education area and they all have an annual value of less than £15k each.

**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, 8 virements have been actioned and they are :- £8k additional funding for Commissioning Managers post; £35k deletion of Primary Advisor post; £106k to fund extra resources needed to support SEN children at Academies; £8k to fund Early Years Quality Improvement post; £80k to fund new Schools Standards post; £15k to fund a post to support Early Years Outreach; £55k to fund Head of Access and Inclusion post and £13k to fund an Admin post to support to conversion of SEN Statement to ECHP's.

## Environment Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>ENVIRONMENT PORTFOLIO</b>							
	<b>Street Scene &amp; Green Spaces</b>							
5,177	Parks and Green Spaces	5,194	5,172	5,163	Cr 9	1	0	0
290	Street Regulation and Enforcement incl markets	372	348	302	Cr 46	2	0	0
17,009	Waste Services	17,661	17,762	17,490	Cr 272	3	Cr 22	0
4,206	Street Environment	4,261	4,273	4,243	Cr 30	4	0	0
804	Management and Contract Support	871	999	1,061	62	5	0	0
632	Transport Operations and Depot Management	680	688	671	Cr 17	6	0	0
877	Trees	736	736	736	0		0	0
<b>28,995</b>		<b>29,775</b>	<b>29,978</b>	<b>29,666</b>	<b>Cr 312</b>		<b>Cr 22</b>	
	<b>Parking Services</b>							
Cr 7,425	Parking	Cr 7,468	Cr 7,313	Cr 7,484	Cr 171	7-9	0	0
<b>Cr 7,425</b>		<b>Cr 7,468</b>	<b>Cr 7,313</b>	<b>Cr 7,484</b>	<b>Cr 171</b>		<b>0</b>	<b>0</b>
	<b>Transport &amp; Highways</b>							
245	Traffic & Road Safety	318	318	364	46	10	0	0
8,971	Highways (including London Permit Scheme)	6,554	6,577	6,483	Cr 94	11	0	0
<b>9,216</b>		<b>6,872</b>	<b>6,895</b>	<b>6,847</b>	<b>Cr 48</b>		<b>0</b>	<b>0</b>
<b>30,786</b>	<b>TOTAL CONTROLLABLE</b>	<b>29,179</b>	<b>29,560</b>	<b>29,029</b>	<b>Cr 531</b>		<b>Cr 22</b>	<b>0</b>
8,165	<b>TOTAL NON-CONTROLLABLE</b>	5,468	5,633	5,589	Cr 44	12	Cr 36	0
2,394	<b>TOTAL EXCLUDED RECHARGES</b>	2,244	2,244	2,244	0		0	0
<b>41,345</b>	<b>PORTFOLIO TOTAL</b>	<b>36,891</b>	<b>37,437</b>	<b>36,862</b>	<b>Cr 575</b>		<b>Cr 58</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2017/18

36,891

Green Garden Waste Direct Debits

120

Non- Controllable R&amp;M - Central Depot

113

Additional resources for staffing (Exec 9.8.17)

79

Non - Controllable R&amp;M - Water Treatment

52

Business Rates revaluation

182

## Latest Approved Budget for 2017/18

37,437



## **REASONS FOR VARIATIONS**

### **1. Parks and Green Spaces Cr £9k**

Overall a net variation of Cr £9k is projected for Parks and Green Spaces. An underspend of £29k on staffing as a result of part year vacancies is partly offset by additional costs of £20k for park strategy development.

### **2. Street Regulation and Enforcement incl markets Cr 46k**

Additional income of £31k is expected from the sale of promotional space within Bromley Town Centre. Other underspends total £15k mainly from part year vacancies.

<b>Summary of variations within Street Regulation and Enforcement:</b>		<b>£'000</b>
Additional advertising income	Cr	31
Underspend on Staffing	Cr	13
Other net income	Cr	2
<b>Total variation for Street Regulation and Enforcement</b>	<b>Cr</b>	<b>46</b>

### **3. Waste Services Cr £272k**

Overall tonnage is expected to be 3,000 tonnes below last year and the current budget, mainly for recycling tonnage. As a result, contract disposal costs are expected to be £190k below budget.

Additional income of £24k is expected from the sale of recycling materials due to an increase in the market price of textiles.

Across the garden waste collection services, there is a projected underspend of £24k. This is made up of an overspend of £65k forecast for the use of a sixth vehicle for the second half of the year due to the increase in customers. Other overspends include £23k for the purchase and delivery of containers and £23k for marketing. Sales of green garden waste stickers have not dropped off as much as in previous years and additional income of £18k is expected and there is a net increase in the number of wheelie bin customers in 2017/18 resulting in extra income of £117k being forecast.

A survey will be undertaken to assess waste collection behavioural changes in residents and the waste strategy needs to be updated as part of the requirements for the Environment contract. These costs total £48k.

The waste collection contract is projected to be underspent by £24k mainly due to a reduction in large scale fly tipping incidents over 3m<sup>3</sup>.

Following the settlement with Veolia, an extra £50k will be received above the net accrual of £120k made in 2016/17.

It is estimated that approximately 5,400 tonnes will be diverted by landfill and disposed of using Mechanical Biological Treatment. This will provide an additional credit of £18k.

Costs of £15k have been incurred for a depot review carried out by C & W.

Other waste income is expected to generate an additional £5k.

<b>Summary of overall variations within Waste Services</b>		<b>£'000</b>
Waste disposal costs	Cr	190
Recycling Income	Cr	24
Green Garden Waste Service	Cr	24
Waste collection behavioural change survey & waste strategy		48
Waste collection contract	Cr	24
Settlement with Veolia	Cr	50
Additional MBT (Mechanical Biological Treatment) income	Cr	18
Depot review by C & W		15
Other income	Cr	5
<b>Total variation for Waste Services</b>	<b>Cr</b>	<b>272</b>

### **4. Street Environment Cr £30k**

The Street Environment budget is expected to underspend by £30k. This is due to part year vacancies £18k and £12k surplus income mainly from FPNs.

### **5. Management and Contract Support Dr £62k**

There is a net projected overspend of £62k relating to additional support and evaluation expertise for the environment contracts.

### **6. Transport Operations and Depot Management Cr £17k**

Part year vacancies have resulted in an underspend of £17k.

### **7. Income from Bus Lane Contraventions Cr £390k**

There is a net projected surplus of £390k on the redeployable automated cameras in bus lanes for 2017-18. This is based on numbers of contraventions up to 30 September 2017.

**8. Off/On Street Car Parking Dr £139k**

Overall there is a net variation of Dr £139k for Off and On Street parking.

A deficit of £250k is forecast for Off and On Street Parking income. This was partly due to initial problems with the new Parking contract which started in April. These included issues around car park cleaning, cash collection and counting, which resulted in defaults relating to Off/On Street Car Parking income being issued totalling £21k. These issues now seem to have been resolved.

This is partly offset by additional income of £56k which is expected to be received from cashless parking fees, as the use of this service continues to grow.

With the roll out of additional On Street Parking bays, an extra £34k income will be generated this year.

This projected overspend for off and on Street Car parking within the Parking budget is detailed below: -

<b>Summary of variations within Off/On Street Car Parking</b>	<b>OFF ST £'000</b>	<b>ON ST £'000</b>	<b>Total £'000</b>
Off Street Car Parking income	300 Cr	50	250
Less additional Ring Go fees	Cr 23 Cr	33 Cr	56
Level of Defaults applied to contract April to Sept 17	Cr 11 Cr	10 Cr	21
Additional income from new bays	0 Cr	34 Cr	34
<b>Total variations within Off/On Street Parking</b>	<b>266 Cr</b>	<b>127</b>	<b>139</b>

**9. Car Parking Enforcement Dr £80k**

From activity levels up to September 2017, there is a projected net deficit of around Dr £180k from PCNs issued by APCOA in the current year due to a reduction in contraventions. During the initial mobilisation period of the contract APCOA experienced problems in recruitment and training Civil Enforcement Officers (CEOs). In September this seems to have stabilised and staff have been recruited with the necessary skills and abilities to carry out the contract. There are defaults on the Enforcement contract of around Cr £100k for April to August 2017 which partly offsets this variation. Data is still awaited for any defaults for September.

<b>Summary of variations within Car Parking Enforcement</b>	<b>£'000</b>
PCNs issued by wardens	180
APCOA Enforcement defaults	Cr 100
<b>Total variations within Car Parking Enforcement</b>	<b>80</b>

<b>Summary of overall variations within Parking:</b>	<b>£'000</b>
Bus Routes Enforcement	Cr 390
Off Street Car Parking	266
On Street Car Parking	Cr 127
Car Parking Enforcement	80
<b>Total variation for Parking</b>	<b>Cr 171</b>

**10. Traffic & Road Safety Dr £46k**

There is a projected shortfall of £46k for advertising income due to delays with obtaining planning permission for the digital display units.

**11. Highways- Including London Permit Scheme Cr £94k**

Within NRSWA income, there is a projected surplus of income of £174k. This is mainly due to an increase in the number of permits issued as well as income from defect notices and coring.

This has been partly offset by additional expected costs of £80k to undertake the project management and specialist support for Lots 5-10 of the environment contracts.

<b>Summary of Variations within Highways.</b>	<b>£'000</b>
NRSWA Income	Cr 174
Lot 5-7 project management and specialist support costs	80
<b>Total Projected variations for Highways</b>	<b>Cr 94</b>

**12. Non-controllable Cr £44k**

There is a projected surplus income of £44k within the property rental income budget. 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, the following waiver for contract values over £50k has been actioned:

£69k (12 months contract) relating to a parking design specialist to carry out parking bay reviews.

**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 &amp; Safety Budget Monitoring Summary

2016/17 Actuals £'000	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>Public Protection</b>							
108	Community Safety	142	138	138	0		0	0
77	Emergency Planning	83	102	102	0		0	0
508	Mortuary & Coroners Service	403	403	449	46	1	66	56
1,187	Public Protection	1,335	1,479	1,463	Cr 16	2	0	0
<b>1,880</b>	<b>TOTAL CONTROLLABLE</b>	<b>1,963</b>	<b>2,122</b>	<b>2,152</b>	<b>30</b>		<b>66</b>	<b>56</b>
270	<b>TOTAL NON CONTROLLABLE</b>	3	3	3	0		0	0
262	<b>TOTAL EXCLUDED RECHARGES</b>	374	374	374	0		0	0
<b>2,412</b>	<b>PORTFOLIO TOTAL</b>	<b>2,340</b>	<b>2,499</b>	<b>2,529</b>	<b>30</b>		<b>66</b>	<b>56</b>

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2017/18

2,340

Additional resources for staffing (Exec 9.8.17)

159

## Latest Approved Budget for 2017/18

2,499

## **REASONS FOR VARIATIONS**

### **1. Mortuary and Coroners Service Dr £46k**

The Coroner's consortium costs escalated in 2016/17. A total provision of £466k was provided for in 2016/17, which included the estimated costs of £128k for the refurbishment of the new offices for the Coroner's service in Davis House. The final cost for 2016/17 was £426k, which included Bromley's share of the Davis House refurbishment costs of £114k. As a result, £40k of the provision is no longer required.

Following recent meetings with Croydon, who are the lead authority on the Coroner's service, Bromley's share of the revised 2017/18 budget set by Croydon is £326k, an on-going shortfall of £56k against budget. It is likely that there will be a further one-off cost of £65k resulting from the large inquests being undertaken during 2017/18.

The Mortuary contract is anticipated to be at a similar level as 2016/17, and is likely to underspend by £35k. This will help to offset the increase in costs of the coroners service.

<b>Summary of variations within Mortuary and Coroners:</b>	<b>£'000</b>
Release of provision no longer required	Cr 40
Overspend on Coroners service - increased costs	56
Estimated cost of large inquests	65
Potential underspend on Mortuary	Cr 35
<b>Total variations within Mortuary and Coroners</b>	<b><u>46</u></b>

### **2. Public Protection Cr £16k**

There is a net underspend of £16k within Public Protection mainly due to staff vacancies.

### **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 &amp; Recreation Budget Monitoring Summary

2016/17 Actuals £'000	Division Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>R&amp;R PORTFOLIO</b>							
	<b>Planning</b>							
Cr 3	Building Control	76	76	15	Cr 61	1	Cr 50	0
Cr 144	Land Charges	Cr 129	Cr 129	Cr 147	Cr 18	2	0	0
812	Planning	703	703	827	124	3	50	0
	Planning appeal funding held in Central Contingency			Cr 31	Cr 31		0	0
1,564	Renewal	785	1,075	1,075	0		0	0
<b>2,229</b>		<b>1,435</b>	<b>1,725</b>	<b>1,739</b>	<b>14</b>		<b>0</b>	<b>0</b>
	<b>Recreation</b>							
1,732	Culture	1,675	1,695	1,695	0		0	0
4,737	Libraries	4,403	5,752	5,752	0	4	0	0
263	Town Centre Management & Business Support	180	261	247	Cr 14	5	0	0
<b>6,732</b>		<b>6,258</b>	<b>7,708</b>	<b>7,694</b>	<b>Cr 14</b>		<b>0</b>	<b>0</b>
<b>8,961</b>	<b>Total Controllable R&amp;R Portfolio</b>	<b>7,693</b>	<b>9,433</b>	<b>9,433</b>	<b>0</b>		<b>0</b>	<b>0</b>
5,855	<b>TOTAL NON CONTROLLABLE</b>	4,195	4,157	4,116	Cr 41	6	Cr 42	0
2,088	<b>TOTAL EXCLUDED RECHARGES</b>	2,086	2,086	2,086	0		0	0
<b>16,904</b>	<b>PORTFOLIO TOTAL</b>	<b>13,974</b>	<b>15,676</b>	<b>15,635</b>	<b>Cr 41</b>		<b>Cr 42</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2017/18

13,974

New Homes Bonus TCM

23

New Homes Bonus Regeneration

306

Custom Build &amp; New Burdens grant - Expenditure

30

Custom Build &amp; New Burdens grant - Income

Cr 30

Local Plan Implementation

37

Inflation adjustment

15

Business Rates revaluation

60

Non - Controllable R&amp;M - Water Treatment

4

Libraries - saving adjustment

284

Libraries - Decommissioning of I.T service

973

## Latest Approved Budget for 2017/18

15,676

## **REASONS FOR VARIATIONS**

### **1. Building Control Cr £61k**

For the chargeable service, an income deficit of £105k is projected based on information to date. This is mostly offset by a projected underspend within salaries of £101k arising from reduced working hours and part year vacancies, as well as running expenses. In accordance with Building Account Regulations, the net deficit of around £4k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance will therefore reduce from Cr £182k to Cr £178k.

Within the non-chargeable service, there is a projected net underspend of £61k, this is mainly the result of part year vacancies and reduced hours.

### **2. Land Charges Cr £18k**

There is a projected deficit of £20k for income within the Charging Account due to vacancies which is partly offset by underspends on staffing and running expenses of £13k. The net deficit of £7k will be carried forward as the cumulative balance in the Charging Account. If the income continues to drop, officers will have to consider increasing the current charges.

There is a projected underspend of £18k on the Non-Chargeable budget due to part year vacancies.

### **3. Planning Dr £124k**

Income from non-major planning applications is above budget for the first six months of the year, and a surplus of £100k is projected for 2017/18. For information, actual income received from April to September is at a similar level compared to income received for the same period last year.

For major applications, £102k has been received as at 30th September, which is £52k lower than for the same period in 2016/17. Planning officers within the majors team have advised there is significant activity expected in the coming months, and therefore the income target for 2017/18 is expected to be met.

Currently there is projected surplus income of £60k from pre-application meetings due to higher than budgeted activity levels. For information, £105k has been received for the first six months of the year, which is £8k higher than for the same period in 2016/17.

Additional income of £20k is expected from other miscellaneous income within Planning, mostly from the street naming and numbering service.

Specialist consultancy costs of around £60k are expected to be incurred relating to three planning enquiries to be held in early 2018. There will also be an overspend of £20k for planning staff, due to additional temporary staff in order to assist with the current increase in volumes of planning applications and enforcement. These costs have been funded from the additional income.

Costs of £224k are expected relating to costs awarded against the Council for planning appeals that have been lost. There is a sum of £60k held in the central contingency that could be drawn down to partly offset these costs, however as there may be further appeal costs that may come through later in the year, the total sum to be drawn down will be finalised at the year end. At this moment in time, it is assumed that £31k will be drawn down at year end from the planning appeal funding held in Central Contingency to offset the overspend.

#### **Summary of variations within Planning:**

	<b>£'000</b>
Surplus of income from non-major applications	Cr 100
Surplus pre-application income	Cr 60
Surplus from miscellaneous income	Cr 20
Specialist consultancy costs	60
Additional temporary planning staff	20
Planning appeals claims	224
<b>Total variation for Planning</b>	<b>124</b>

### **4. Libraries £0k**

Overall a nil variance is projected for the Library service, however there will be a shortfall of income of £17k from fee & charges which is offset by an underspend of staffing totalling £17k.

**5. Town Centre Management & Business Support Cr £14k**

A net underspend of £14k is forecast for Town Centre Management & Business Support. This includes £6k on staff vacancies and additional income of £8k from pop-up shop rental and promotional space.

**6. Non-controllable Cr £41k**

There is a projected surplus income of £41k within the property rental income budget. 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.



## Resources Portfolio Budget Monitoring Summary

2016/17 Actuals		2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
£'000	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>							
	<b>FINANCIAL SERVICES DIVISION</b>							
456	Director of Finance & Other	212	212	212	0		0	0
6,641	Exchequer - Revenue & Benefits	6,645	6,957	7,011	54	1	0	0
1,545	Exchequer - Payments & Income	1,600	1,582	1,582	0		0	0
606	Financial Accounting	620	620	620	0		0	0
1,423	Management Accounting	1,521	1,522	1,477	Cr 45	2	0	0
632	Audit	679	719	729	10	3	0	0
<b>11,303</b>	<b>Total Financial Services Division</b>	<b>11,277</b>	<b>11,612</b>	<b>11,631</b>	<b>19</b>		<b>0</b>	<b>0</b>
	<b>CORPORATE SERVICES DIVISION</b>							
4,375	Information Systems & Telephony	4,482	4,544	4,544	0		0	0
1,078	Customer Services (inc. Bromley Knowledge)	1,101	998	998	0		0	0
	<b>Legal Services &amp; Democracy</b>							
320	Electoral	345	345	345	0		0	0
1,369	Democratic Services	1,412	1,412	1,412	0		0	0
Cr 123	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 94	0	4	0	0
1,776	Legal Services	1,642	1,692	1,842	150		97	140
169	Management and Other (Corporate Services)	175	175	175	0		0	0
<b>8,964</b>	<b>Total Corporate Services Division</b>	<b>9,063</b>	<b>9,072</b>	<b>9,222</b>	<b>150</b>		<b>97</b>	<b>140</b>
	<b>HR DIVISION</b>							
1,523	Human Resources	1,929	1,938	1,938	0		0	0
<b>1,523</b>	<b>Total HR Division</b>	<b>1,929</b>	<b>1,938</b>	<b>1,938</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>COMMISSIONING AND PROCUREMENT DIVISION</b>							
939	Procurement and Data Management	666	716	716	0		0	0
1,245	Commissioning	1,428	878	857	Cr 21	5	0	0
0	Debt Management System	0	25	25	0		0	0
<b>2,184</b>	<b>Total Commissioning and Procurement Division</b>	<b>2,094</b>	<b>1,619</b>	<b>1,598</b>	<b>Cr 21</b>		<b>0</b>	<b>0</b>
	<b>CHIEF EXECUTIVE'S DIVISION</b>							
125	Comms	125	125	125	0		0	0
652	Management and Other (C. Exec)	712	747	747	0		0	0
168	Mayoral	149	149	149	0		0	0
<b>945</b>	<b>Total Chief Executive's Division</b>	<b>986</b>	<b>1,021</b>	<b>1,021</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>CENTRAL ITEMS</b>							
7,500	CDC & Non Distributed Costs (Past Deficit etc.)	3,831	3,831	3,831	0		0	0
11,600	Concessionary Fares	11,210	11,210	11,210	0		0	0
<b>44,019</b>	<b>TOTAL CONTROLLABLE CE DEPT</b>	<b>40,390</b>	<b>40,303</b>	<b>40,451</b>	<b>148</b>		<b>97</b>	<b>140</b>
Cr 8,194	<b>TOTAL NON CONTROLLABLE</b>	337	335	335	0		0	0
Cr 16,351	<b>TOTAL EXCLUDED RECHARGES</b>	Cr 15,801	Cr 15,278	Cr 15,278	0		0	0
<b>19,474</b>	<b>TOTAL CE DEPARTMENT</b>	<b>24,926</b>	<b>25,360</b>	<b>25,508</b>	<b>148</b>		<b>97</b>	<b>140</b>
	<b>ENVIRONMENT &amp; COMMUNITY SERVICES DEPARTMENT</b>							
	<b>Total Facilities Management</b>							
1,938	Admin Buildings & Facilities Support	2,217	2,681	2,684	3	6	0	0
195	Investment & Non-Operational Property	187	187	131	Cr 56	7	Cr 66	0
1,115	Strategic & Operational Property Services	979	1,079	1,079	0		0	0
163	TFM Client Monitoring Team	311	311	311	0		0	0
Cr 866	Other Rental Income - Other Portfolios	Cr 763	Cr 763	Cr 845	Cr 82	8	Cr 69	0
2,117	Repairs & Maintenance (All LBB)	1,944	2,140	2,140	0	9	0	0
<b>4,662</b>	<b>TOTAL CONTROLLABLE ECS DEPT</b>	<b>4,875</b>	<b>5,635</b>	<b>5,500</b>	<b>Cr 135</b>		<b>Cr 135</b>	<b>0</b>
1,778	<b>TOTAL NON CONTROLLABLE</b>	402	402	402	0		0	0
Cr 2,666	<b>TOTAL EXCLUDED RECHARGES</b>	Cr 2,706	Cr 2,706	Cr 2,706	0		0	0
Cr 1,411	<b>Less: R&amp;M allocated across other Portfolios</b>	Cr 1,485	Cr 1,630	Cr 1,630	0		0	0
866	<b>Less: Rent allocated across other Portfolios</b>	763	763	845	82		69	0
<b>3,229</b>	<b>TOTAL ECS DEPARTMENT</b>	<b>1,849</b>	<b>2,464</b>	<b>2,411</b>	<b>Cr 53</b>		<b>Cr 66</b>	<b>0</b>
<b>22,703</b>	<b>TOTAL RESOURCES PORTFOLIO</b>	<b>26,775</b>	<b>27,824</b>	<b>27,919</b>	<b>95</b>		<b>31</b>	<b>140</b>

<b>Reconciliation of Latest Approved Budget</b>		<b>£'000</b>
<b>Original budget 2017/18</b>		<b>26,775</b>
Audit - Additional investigation works		40
Electoral IER - grant related expenditure		47
Electoral IER - grant related income	Cr	47
Debt Management System - grant related expenditure		99
Debt Management System - grant related income	Cr	99
Debt Management System - Aspien Corporate Debt System		25
Contract Register / Summaries Database		50
Legal Counsel Cost		50
Biggin Hill Airport Noise Action Plan		44
Inflation Adjustment		351
Business Rates revaluation		305
TFM - Pension Liabilities		100
		51
Contract monitoring resources transferred to Resources Portfolio		31
IT Mobilisation Fund		62
Transfer of Central Placement Team to Care Services Portfolio 1.6.17	Cr	60
<b>Latest Approved Budget for 2017/18</b>		<b><u>27,824</u></b>

**REASONS FOR VARIATIONS****CORPORATE SERVICES DIVISION****1. Exchequer - Revenues and Benefits Dr £54k**

Following the extension of the Exchequer Services contract approved by Executive on 13th January 2016, £448k savings were built into the 2017/18 budget. Due to the delays in the implementation of the automated services, the estimated savings of £134k for 2017/18 will not yet be achieved. £34k of the shortfall is related to the Capita Connect system savings and £100k is due to the implementation of the Debt Management system which is projected to be in December 2017, with 6 month lead in time before savings can be achieved. These costs are partly offset by savings on the Liberata contract of £80k due to various one-off in year variations.

**2. Management Accounting Cr £45k**

Within Management Accounting staffing costs are expected to below budget by £45k due to part year staff vacancies, which have now been filled.

**3. Audit Dr £10k**

Audit costs are projected to be overspent by around £10k due to an increase in contract related audits.

**4. Legal Services Dr £150k**

An overspend of £150k is projected for counsel fees and court costs due to the high volume of child care cases. 37 cases were received between April and September, and it is anticipated that the number of child care cases received in 17/18 will be in the region of 80 cases. One case was particularly expensive as it involved six children. Although the number of cases are expected to be lower than last year (99 cases), it far exceeds the average annual number of around 47 cases in the past.

**5. Procurement and Commissioning Cr £21k**

Part year vacancies have resulted in a projected underspend of £21k.

**ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT****6. Admin Buildings & Facilities Support Dr £3k**

There is a £13k shortfall of income from staff car parking and other minor underspends totalling £10k.

**7. Investment & Non-Operational Property (expenditure) Cr £56k**

The budget for Surplus Properties is expected to overspend by £18k due to business rates for various surplus properties awaiting disposal, additional security costs of £9k for the Widmore centre and £9k overspend on utilities. This is more than offset by £92k underspend on business rates for Bromley Town Hall (Exchequer House).

**8. Other Rental Income - Other Portfolios Cr £82k**

There is an overall net surplus of £82k for rental income from various properties in other Portfolios. This is mainly due to £30k from the Depots, £24k from a recent rent review and other minor variations totalling Cr £28k.

**9. Repairs & Maintenance (All LBB)**

EARLY WARNING: It is likely that most of the carry forward sum of £113k for the central depot wall will need to be carried forward to 2018/19 as the repair works have not yet started.

**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:

TNT UK Ltd. This waiver was for a two year extension to the off- site storage contract at a total cost of £70K. Cumulative value £195k.

Royal Borough of Greenwich for additional one year extension for fraud services £190k (Cumulative value £4,127k).

**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.

## Allocation of Contingency Provision for 2017/18

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		
	£	£	£	£	£		£
<b>Renewal and Recreation</b>							
Planning Appeals - change in legislation	60,000			60,000	60,000		0
<b>General</b>							
Provision for unallocated inflation	2,274,000	366,000		1,198,600	1,564,600		Cr 709,400
Impact of Chancellor's Summer Budget 2015 on future costs	2,260,000	912,000		348,000	1,260,000	(4)&(2)	Cr 1,000,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	2,740,000	310,000		1,930,000	2,240,000	(3)	Cr 500,000
General provision for risk/uncertainty	2,219,000			321,560	321,560		Cr 1,897,440
Operational Building Maintenance Programme		125,240		0	125,240	(2)	125,240
SEN assessments - transfer to ECHP plans		115,000		0	115,000	(6)	115,000
Library Services - one off funding & budget variations		1,257,000		0	1,257,000	(6)	1,257,000
Total Facilities Management Contract		100,000		0	100,000	(1)	100,000
Additional Resources for Environment & Community Services		238,000		0	238,000	(7)	238,000
IT Mobilisation		62,200		0	62,200	(7)	62,200
Provision for risk/uncertainty relating to volume and cost pressures	2,182,000			682,000	682,000		Cr 1,500,000
Impact of conversion of schools to academies	117,000			117,000	117,000		0
Retained Welfare Fund	450,000			450,000	450,000		0
Deprivation of Liberty	118,000			118,000	118,000		0
Growth for Waste Services	424,000			424,000	424,000		0
Grants to Voluntary Organisations - pump priming funding	275,000			275,000	275,000		0
Other Provisions	293,000			293,000	293,000		0
Adult Social Care	700,000			700,000	700,000		0
Provision for impact of NNDR Revaluation	350,000		559,400	0	559,400		209,400
Education SEN	300,000			300,000	300,000		0
Better Care Fund	220,000			220,000	220,000		0
HR/Finance impact of academy conversions	Cr 25,000			Cr 25,000	Cr 25,000		0
Residual share of South London Connexions Consortium balance				Cr 50,910	Cr 50,910		Cr 50,910
Contribution to Investment Fund			3,500,000	0	3,500,000		3,500,000
	<b>14,957,000</b>	<b>3,485,440</b>	<b>4,059,400</b>	<b>7,361,250</b>	<b>14,906,090</b>		<b>Cr 50,910</b>
<b>Grants included within Central Contingency Sum</b>							
SEND Implementation Grant (New Burdens)							
Grant related expenditure	201,000	225,000		0	225,000	(3)	24,000
Grant related income	Cr 201,000	Cr 225,000		0	Cr 225,000		Cr 24,000
Tackling Troubled Families Grant							
Grant related expenditure	781,000	200,600		461,400	662,000	(9)	Cr 119,000
Grant related income	Cr 781,000	Cr 200,600		Cr 461,400	Cr 662,000		Cr 119,000
Adult Social Care (IBCF)							
Grant related expenditure	4,184,000	4,184,000		0	4,184,000	(8)	0
Grant related income	Cr 4,184,000	Cr 4,184,000		0	Cr 4,184,000		0
SEN Pathfinder Grant							
Grant related expenditure		27,522		0	27,522	(3)	27,522
Grant related income		Cr 27,522		0	Cr 27,522		Cr 27,522
Step Up To Social Work Grant							
Grant related expenditure		915,000		0	915,000	(5)	915,000
Grant related income		Cr 915,000		0	Cr 915,000		Cr 915,000
Flexible Homelessness Support Grant							
Grant related expenditure				2,106,890	2,106,890		2,106,890
Grant related income				Cr 2,106,890	Cr 2,106,890		Cr 2,106,890
Homelessness Reduction Grant							
Grant related expenditure				254,713	254,713		254,713
Grant related income				Cr 254,713	Cr 254,713		Cr 254,713
<b>Total Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>TOTAL CARRIED FORWARD</b>	<b>14,957,000</b>	<b>3,485,440</b>	<b>4,059,400</b>	<b>7,361,250</b>	<b>14,906,090</b>		<b>Cr 50,910</b>

## Notes:

- (1) Executive 23rd March 2016
- (2) Executive 22nd March 2017
- (3) Executive 24th May 2017
- (4) Executive 6th June 2017
- (5) Executive 20th June 2017
- (6) Executive 19th July 2017
- (7) Executive 9th August 2017
- (8) Executive 10th October 2017
- (9) Executive 7th November 2017

## Allocation of Contingency Provision for 2017/18 (continued)

Item	Carried Forward from 2016/17	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		
	£	£	£	£	£		£
<b>TOTAL BROUGHT FORWARD</b>	<b>14,957,000</b>	<b>3,485,440</b>	<b>4,059,400</b>	<b>7,361,250</b>	<b>14,906,090</b>		<b>Cr 50,910</b>
<b>Items Carried Forward from 2016/17</b>							
<b>Care Services</b>							
Social Care Funding via the CCG under S75 agreements							
Integration Funding - Better Care Fund							
- expenditure	28,170	28,170		0	28,170	(2)	0
- income	Cr 28,170	Cr 28,170		0	Cr 28,170		0
Better Care Fund - GoodGym							
- expenditure	25,000	25,000		0	25,000	(2)	0
- income	Cr 25,000	Cr 25,000		0	Cr 25,000		0
Better Care Fund							
- expenditure	132,190	132,190		0	132,190	(2)	0
- income	Cr 132,190	Cr 132,190		0	Cr 132,190		0
Helping People Home							
- expenditure	40,000	40,000		0	40,000	(8)	0
- income	Cr 40,000	Cr 40,000		0	Cr 40,000		0
DCLG Preventing Homelessness Grant							
- expenditure	152,551	152,551		0	152,551	(2)	0
- income	Cr 152,551	Cr 152,551		0	Cr 152,551		0
Fire Safety Grant							
- expenditure	56,589	56,589		0	56,589	(2)	0
- income	Cr 56,589	Cr 56,589		0	Cr 56,589		0
Community Housing Fund Grant							
- expenditure	62,408	62,408		0	62,408	(2)	0
- income	Cr 62,408	Cr 62,408		0	Cr 62,408		0
Public Health							
- expenditure	623,290			623,290	623,290		0
- income	Cr 623,290			Cr 623,290	Cr 623,290		0
Implementing Welfare Reform Changes							
- expenditure	56,219	56,219		0	56,219	(2)	0
- income	Cr 56,219	Cr 56,219		0	Cr 56,219		0
<b>Renewal &amp; Recreation Portfolio</b>							
New Homes Bonus - Town Centre Management							
- expenditure	23,446	23,446		0	23,446	(3)	0
- income	Cr 23,446	Cr 23,446		0	Cr 23,446		0
New Homes Bonus - Regeneration							
- expenditure	306,126	306,126		0	306,126	(3)	0
- income	Cr 306,126	Cr 306,126		0	Cr 306,126		0
Planning Strategy & Projects - Custom Build Grant							
- expenditure	29,645	29,645		0	29,645	(3)	0
- income	Cr 29,645	Cr 29,645		0	Cr 29,645		0
<b>Resources Portfolio</b>							
Electoral Services - Cabinet Office Funding for IER							
- expenditure	47,117	47,117		0	47,117	(4)	0
- income	Cr 47,117	Cr 47,117		0	Cr 47,117		0
Debt Management System Project - Transformation Grant							
- expenditure	99,267	99,267		0	99,267	(4)	0
- income	Cr 99,267	Cr 99,267		0	Cr 99,267		0
<b>Education and Children's Services Portfolio</b>							
SEN Reform Grant							
- expenditure	20,703	20,703		0	20,703	(1)	0
- income	Cr 20,703	Cr 20,703		0	Cr 20,703		0
SEN Pathfinder Grant							
- expenditure	14,427	14,427		0	14,427	(5)	0
- income	Cr 14,427	Cr 14,427		0	Cr 14,427		0
Early Years Grant							
- expenditure	14,800	14,800		0	14,800	(5)	0
- income	Cr 14,800	Cr 14,800		0	Cr 14,800		0
LA Conversion Academies Sponsor Support							
- expenditure	28,000	28,000		0	28,000	(5)	0
- income	Cr 28,000	Cr 28,000		0	Cr 28,000		0
High Needs Strategic Planning Fund							
- expenditure	139,624	139,624		0	139,624	(5)	0
- income	Cr 139,624	Cr 139,624		0	Cr 139,624		0

Item	Carried Forward from 2016/17	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		
	£	£	£	£	£		£
Tackling Troubled Families							
- expenditure	675,400	595,400		80,000	675,400	(7)	0
- income	Cr 675,400	Cr 595,400		Cr 80,000	Cr 675,400		0
<b>General</b>							
Audit - Additional investigation works	40,000	40,000		0	40,000	(4)	0
Debt Management System	25,000	25,000		0	25,000	(4)	0
Contracts Register/Summaries Database	50,000	50,000		0	50,000	(4)	0
Biggin Hill Airport - Noise Action Plan	43,700	43,700		0	43,700	(4)	0
Legal Counsel Costs	50,000	50,000		0	50,000	(4)	0
Staff Merit Awards	80,970			80,970	80,970		0
Green Garden Waste - Debt Management System	120,000	120,000		0	120,000	(6)	0
Local Plan Implementation	37,427	37,427		0	37,427	(3)	0
	<b>447,097</b>	<b>366,127</b>	<b>0</b>	<b>80,970</b>	<b>447,097</b>		<b>0</b>
<b>Total Carried Forward from 2016/17</b>	<b>447,097</b>	<b>366,127</b>	<b>0</b>	<b>80,970</b>	<b>447,097</b>		<b>0</b>
<b>GRAND TOTAL</b>	<b>15,404,097</b>	<b>3,851,567</b>	<b>4,059,400</b>	<b>7,442,220</b>	<b>15,353,187</b>		<b>Cr 50,910</b>

**Notes:**

- (1) Executive 24th May 2017
- (2) Care Services PDS 4th July 2017
- (3) Renewal & Recreation PDS 5th July 2017
- (4) Executive & Resources PDS 13th July 2017
- (5) Education, Children & Families Budget & Performance Monitoring Sub-Committee 18th July 2017
- (6) Environment PDS 12th July 2017
- (7) Executive 7th November 2017
- (8) Care Services PDS 14th November 2017

Description	2017/18 Latest Approved Budget £'000	Variation To 2017/18 Budget £'000	Potential Impact in 2018/19
Housing Needs - Temporary Accommodation	7,535	0	The full year effect of Temporary Accommodation is currently estimated to be £88k in 2018/19. This estimate only takes into account the projected activity to the end of this financial year and not any projected growth in client numbers beyond that point. The costs are expected to be covered by a contingency bid during 2018/19 as has been the case for a number of years.
Assessment and Care Management - Care Placements	20,810	1,152	The full year impact of the current overspend is estimated at Dr £1,067k. £873k of this relates to residential and nursing home placements and £194k to domiciliary care / direct payments. This is based on client numbers as at the end of September and given the volatility of these budgets is likely to change during the year. In addition, the fye is reduced by IBCF funding of £629k in 2018/19, reducing the overall fye to Dr £438k.
Learning Disabilities - including Care Placements, Transport and Care Management	31,138	688	The full year effect is estimated at an overspend of £1,788k which is higher than the current year's overspend. This is partly because the forward assumptions are based on a net increase in the number / cost of LD clients (clients expected to be placed in-year in 2017/18 will only have a part year cost in 2017/18 but a full year cost in 2018/19 and new / increased packages exceed savings being planned). The Invest to Save Team is a non-recurrent cost in 2017/18 so this reduced the FYE pressure.
Mental Health - Care Placements	5,938	153	There is currently a full year overspend of £168k anticipated on Mental Health placements. There continues to be a degree of misclassification of clients' Primary Support Reasons (PSRs) and this may result in projections shifting between PSRs in future months.
Supporting People	1,072	Cr 86	The full year effect of Supporting People is currently estimated to be a credit of £65k. This is a result of the estimated savings from retendering of the contracts.
Children's Social Care	33,390	403	The overall full year effect of the Childrens Social Care overspend is £718k, analysed as Residential, Fostering and Adoption £138k and Leaving Care services (inc Staying Put and Housing Benefit clients) £580k. This assumes that management action of £1,088k is achieved in 2018/19
Legal Services - Legal / Counsel Fees	89	150	The projected overspend for counsel fees and court costs due to the high volume of child care cases are expected to be in the region of 80 cases in 2017/18 and this level is likely to continue in 2018/19. At this time an overspend of around £140k is projected for 2018/19. Costs should reduce in future years due to the effect of more cases being dealt with in-house.
Mortuary and Coroners Service	403	46	Based on latest information from Croydon, the projected full year effect of the increased Coroner's costs is £56k in 2018/19. A report is to be submitted to Members by the Head of Environmental Protection to provide further information to justify the substantial increased cost of this service which is administered by Croydon as the lead authority in the South London Consortium.
Parking	Cr 7,313	Cr 171	The downward trend in Off Street parking income is likely to be offset by the FYE of new On Street parking bays, and income from bus lane enforcement assuming a drop off in contraventions. At this stage no overall variance is projected for Parking in 2018/19.
Waste	17,762	Cr 272	The FYE cost on the use of a sixth vehicle on the Green Garden Waste service next year will be met from the extra income generated from additional customers. Waste tonnages will continue to be monitored closely for the rest of the year. At this stage no overall variance is projected for Waste in 2018/19

**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:

<b>31 March 2017 £'000</b>	<b>Service</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Transfers to/(from) Capital £'000</b>	<b>Actual as at 30 Sep 2017 £'000</b>
<b><u>Revenue</u></b>					<b><u>Revenue</u></b>
542	Highway Improvement Works	5	70	-	477
42	Road Safety Schemes	-	-	-	42
45	Local Economy & Town Centres	-	-	-	45
78	Parking	3	-	-	81
724	Healthcare Services	188	-	-	912
10	Community Facilities (to be transferred to capital)	-	-	-	10
311	Other	-	-	-	311
<b>1,752</b>		<b>196</b>	<b>70</b>	<b>-</b>	<b>1,878</b>
<b><u>Capital</u></b>					<b><u>Capital</u></b>
2,890	Education	773	1,072	-	2,591
4,911	Housing	-	1,854	-	3,057
97	Local Economy & Town Centres	239	97	-	239
82	Highway Improvement Works	-	-	-	82
<b>7,980</b>		<b>1,012</b>	<b>3,023</b>	<b>-</b>	<b>5,969</b>
<b>9,732</b>		<b>1,208</b>	<b>3,093</b>	<b>-</b>	<b>7,847</b>



Report No.  
CSD17174

London Borough of Bromley

## PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 11 December 2017

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

**Title:** TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE  
2017/18 AND MID-YEAR REVIEW

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At its meeting on 29<sup>th</sup> November 2017 the Executive and Resources PDS Committee considered and supported the attached report for decision by the Resources Portfolio Holder. Council is recommended to approve changes to the 2017/18 prudential indicators, as set out in Annex B1, and approve an increase in the limit for pooled funds/collective investment vehicles, from £80m to £100m, as set out in section 3.5.2 of the report. The reasons for increasing the limit are set out in paragraph 3.5.2.1.

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2. RECOMMENDATIONS

That Council –

(1) Notes the report and approves changes to the 2017/18 prudential indicators as set out in Annex B1 of the report.

(2) Approves the increase in limit to £100m for pooled funds/collective investment vehicles as set out in section 3.5.2 of the report.

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not applicable
- 

## Corporate Policy

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

## Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Interest on Balances
  4. Total current budget for this head: £2.891m(net in 2017/18; £500k surplus currently projected.
  5. Source of funding: Net investment income
- 

## Personnel

1. Number of staff (current and additional): 0.25 fte
  2. If from existing staff resources, number of staff hours: 9 hours per week
- 

## Legal

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

## Procurement

1. Summary of Procurement Implications: Not 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

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children; Legal; Personnel; Procurement/Policy
Background Documents: (Access via Contact Officer)	See attached report

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Decision Maker:	<b>Resources Portfolio Holder Council</b>		
Date:	<b>For pre-decision scrutiny by Executive and Resources PDS Committee on 29<sup>th</sup> November 2017 Council 11<sup>th</sup> December 2017</b>		
Decision Type:	Non-Urgent	Executive	Non-Key
Title:	<b>TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE 2017/18 &amp; MID-YEAR REVIEW</b>		
Contact Officer:	James Mullender, Principal Accountant Tel: 020 8313 4292 E-mail: james.mullender@bromley.gov.uk		
Chief Officer:	Director of Finance		
Ward:	All		

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## **1. Reason for report**

- 1.1. This report summarises treasury management activity during the second quarter of 2017/18. The report also includes a Mid-Year Review of the Treasury Management Strategy Statement and Annual Investment Strategy (Annex A). The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 30<sup>th</sup> September 2017 totalled £309.4m and there was no external borrowing. For information and comparison, the balance of investments stood at £292.3m, as at 30<sup>th</sup> June 2017 and £290.3m as at 30<sup>th</sup> September 2016, and, at the time of writing this report (20<sup>th</sup> November 2017) it stood at £337.1m.

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## **2. RECOMMENDATION(S)**

### **2.1. The Resources Portfolio Holder is requested to:**

- (a) note the Treasury Management performance for the second quarter of 2017/18;
- (b) recommend that Council approves the 2017/18 prudential indicators as set out in Annex B1; and
- (c) recommend that Council approves the increase in limit to £100m for pooled funds/collective investment vehicles as set out in section 3.5.2.

### **2.2. Council is requested to:**

- (a) note the report and approve changes to the 2017/18 prudential indicators, as set out in Annex B1; and**
- (b) approve the increase in limit to £100m for pooled funds/collective investment vehicles as set out in section 3.5.2.**

### Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
  2. BBB Priority: Excellent Council.
- 

### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A
  3. Budget head/performance centre: Interest on balances
  4. Total current budget for this head: £2.891m (net) in 2017/18; £500k surplus currently projected
  5. Source of funding: Net investment income
- 

### Staff

1. Number of staff (current and additional): 0.25 fte
  2. If from existing staff resources, number of staff hours: 9 hours per week
- 

### Legal

1. Legal Requirement: Non-statutory - Government guidance.
  2. Call-in: Call-in is applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

### **3. COMMENTARY**

#### **3.1. General**

- 3.1.1. Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end.
- 3.1.2. This report includes details of investment performance in the second quarter of 2017/18. The 2017/18 annual treasury strategy, including the MRP (Minimum Revenue Provision) Policy Statement and prudential indicators, was originally approved by Council in March 2017. The annual report for financial year 2016/17 was submitted to the Executive and Resources PDS Committee on 14<sup>th</sup> June 2017 and Council on 26<sup>th</sup> June 2017, and included the following changes to the 2017/18 strategy:
- Inclusion of a secured loan that helps deliver the Council's housing objectives;
  - An increase to the limit for pooled investment schemes to £80m;
  - A reduction to the counterparty rating criteria for Housing Associations to A-;
  - A temporary increase in the counterparty limit with Lloyds bank.
- 3.1.3. Recent changes in the regulatory environment place a much greater onus on Members to undertake the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.1.4. The Council has monies available for Treasury Management investment as a result of the following:
- Positive cash flow;
  - Monies owed to creditors exceed monies owed by debtors;
  - Receipts (mainly from Government) received in advance of payments being made;
  - Capital receipts not yet utilised to fund capital expenditure;
  - Provisions made in the accounts for liabilities e.g. provision for outstanding legal cases which have not yet materialised;
  - General and earmarked reserves retained by the Council.
- 3.1.5. Some of the monies identified above are short term and investment of these needs to be highly "liquid", particularly if it relates to a positive cash flow position, which can change in the future. Future monies available for Treasury Management investment will depend on the budget position of the Council and whether the Council will need to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding (which will require the Council to make revenue savings to balance the budget in future years), there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.
- 3.1.6. The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated £3m income in 2015/16, £4.6m in 2016/17, and is projected to achieve £5.6m in 2017/18. This is based on a longer term investment timeframe of at least 3 to 5 years and ensures that the monies available can attract higher yields over the longer term.

- 3.1.7. A combination of lower risk investments relating to Treasury Management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any investment decisions will also need to consider the likelihood that interest rates will increase at some point. The available resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

### 3.2. Treasury Performance in the quarter ended 30<sup>th</sup> September 2017

- 3.2.1. **Borrowing:** The Council's healthy cashflow position continues and, other than some short-term borrowing at the end of 2015/16, no borrowing has been required for a number of years.

- 3.2.2. **Investments:** The following table sets out details of investment activity during the second quarter of 2017/18 and 2017/18 year to date:-

	Qtr ended 30/09/17		2017/18 year to date	
	Deposits	Ave Rate	Deposits	Ave Rate
	£m	%	£m	%
Balance of "core" investments b/f	193.00	1.42	193.00	1.42
New investments made in period	40.00	1.18	40.00	1.18
Investments redeemed in period	-40.00	1.17	-40.00	1.17
"Core" investments at end of period	193.00	1.42	193.00	1.42
Money Market Funds	14.10	para 3.4.1	14.10	para 3.4.1
Santander 180 day notice account	30.00	para 3.4.2	30.00	para 3.4.2
CCLA Property Fund	30.00	para 3.4.5.2	30.00	para 3.4.5.2
Diversified Growth Funds	10.00	para 3.4.5.3	10.00	para 3.4.5.3
Multi-Asset Income Fund	30.00	para 3.4.5.7	30.00	para 3.4.5.7
Project Beckenham Loan	2.30	para 3.4.4.1	2.30	para 3.4.4.1
<b>Total investments at end of period</b>	<b>309.40</b>	<b>n/a</b>	<b>309.40</b>	<b>n/a</b>

- 3.2.3. Details of the outstanding investments at 30<sup>th</sup> September 2017 are shown in maturity date order in Appendix 2 and by individual counterparty in Appendix 3. An average return of 0.9% was assumed for new investments in the 2017/18 budget in line with the estimates provided by the Council's external treasury advisers, Link Asset Services (previously Capita Asset Services), and with officers' views. The return on the five new "core" investment placed during the second quarter of 2017/18 was 1.18%, compared to the average LIBID rates of 0.11% for 7 days, 0.17% for 3 months, 0.31% for 6 months and 0.51% for 1 year. The improved rate (compared to 1 year LIBID) earned on the new investments is mainly due to the longer (2 year) period on the £10m each invested with Places for People and Hyde Housing Associations at rates of 1.60% and 1.30% respectively.
- 3.2.4. Reports to previous meetings have highlighted the fact that options with regard to the reinvestment of maturing deposits have become seriously limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria, as well as the introduction of pooled funds and housing associations have alleviated this to some extent, but there are still not many investment options available other than placing money with instant access accounts at relatively low interest rates.
- 3.2.5. Despite this, the Council's treasury management performance compares very well with that of other authorities; the Council was in the top decile nationally for both 2014/15 and 2015/16 (the most recent CIPFA treasury management statistics available), and officers continue to look for alternative investment opportunities both within the current strategy and outside, for consideration as part of the ongoing review of the strategy.
- 3.2.6. Active UK banks and building societies on the Council's list now comprise Lloyds, RBS, HSBC, Barclays, Santander UK, Goldman Sachs International Bank, Standard Chartered,

and Nationwide and Skipton Building Societies, and all of these have reduced their interest rates significantly in recent years. The Director of Finance will continue to monitor rates and counterparty quality and take account of external advice prior to any investment decisions.

- 3.2.7. The chart in Appendix 1 shows total investments at quarter-end dates back to 1<sup>st</sup> April 2004 and shows how available funds have increased steadily over the years. This has been a significant contributor to the over-achievement of investment income against budgeted income in recent years.

### 3.3. Interest Rate Forecast

- 3.3.1. As expected, the Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank Rate at its meeting on 2 November. This removed the emergency cut in August 2016 after the EU referendum. The MPC also gave forward guidance that they expected to increase Bank rate only twice more by 0.25% by 2020 to end at 1.00%. The Link Asset Services forecast below includes increases in Bank Rate of 0.25% in November 2018, November 2019, November 2019 and August 2020.

Date	LATEST FORECAST (Nov17)				PREVIOUS FORECAST (Aug17)			
	Base Rate	3 month Libid	6 month Libid	1 year Libid	Base Rate	3 month Libid	6 month Libid	1 year Libid
Dec-17	0.50%	0.40%	0.50%	0.70%	0.25%	0.30%	0.40%	0.70%
Jun-18	0.50%	0.40%	0.50%	0.80%	0.25%	0.30%	0.40%	0.80%
Dec-18	0.75%	0.60%	0.80%	1.00%	0.25%	0.40%	0.50%	0.90%
Jun-19	0.75%	0.60%	0.80%	1.10%	0.50%	0.60%	0.70%	1.10%
Dec-19	1.00%	0.90%	1.00%	1.30%	0.75%	0.80%	0.90%	1.30%
Jun-20	1.00%	1.00%	1.10%	1.40%				
Dec-20	1.25%	1.20%	1.30%	1.50%				

### 3.4. Other accounts

#### 3.4.1. Money Market Funds

- 3.4.1.1. The Council currently has 6 AAA-rated Money Market Fund accounts, with Prime Rate, Ignis, Insight, Blackrock, Fidelity and Legal & General, all of which have a maximum investment limit of £15m. In common with market rates for fixed-term investments, interest rates on money market funds have fallen considerably in recent years, and had been continuing to drop following the Bank of England base rate cut in August 2016. The Ignis, Prime Rate, Insight and Legal & General funds currently offer the best rate at around 0.32%-0.35%, which compares to around 0.2% in September, reflecting the effect of the base rate rise in November as the shorter-dated maturities are re-invested. The total balance held in Money Market Funds has varied during the quarter, moving from £29.3m as at 1<sup>st</sup> July 2017 to £14.1m as at 30<sup>th</sup> September 2017, and currently stands at £46.8m (as at 20<sup>th</sup> November 2017). The Money Market Funds currently offer the lowest interest of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility (currently 0.10%), however they are the most liquid, with funds able to be redeemed up until midday for same day settlement.



Money Market Funds	Date Account Opened	Actual balance 31/03/17 £m	Actual balance 30/09/17 £m	Ave. Rate H1 2017/18 %	Latest Balance 20/11/17 £m	Ave. Daily balance to 20/11/17 £m	Latest Rate 20/11/17 %
Prime Rate	15/06/2009	-	1.8	0.23	15.0	10.0	0.35
Ignis	25/01/2010	6.9	12.3	0.24	15.0	13.3	0.33
Insight	03/07/2009	-	-	0.21	15.0	1.5	0.34
Legal & General	23/08/2012	-	-	0.22	1.8	6.0	0.32
Blackrock	16/09/2009	-	-	0.12	-	-	0.22
Fidelity	20/11/2002	-	-	0.14	-	-	0.27
<b>TOTAL</b>		<b>6.9</b>	<b>14.1</b>		<b>46.8</b>	<b>30.8</b>	

### 3.4.2. Santander 180 Day Notice Account

3.4.2.1. In November 2015, £10m was placed with Santander UK in their 180 day notice account at a rate of 1.15%. This was a very good rate for (potentially) 6 month money, and although Santander had notified the Council that the rate would reduce to 0.90% from September 2016 (a reduction of 0.25% matching the Bank of England base rate reduction), the rate was still very good comparatively, so the Council deposited a further £20m in the notice account during August 2016.

3.4.2.2. Since then, Santander standardised the rates for its notice accounts (the Council's rates were above those available to other customers), and bringing them more in line with market rates. As a result, the rate would decrease to 0.55% from 1<sup>st</sup> June 2017, so the Council gave notice to withdraw the full £30m, which was repaid at the start of October 2017.

### 3.4.3. Housing Associations

3.4.3.1. Following the reduction of the counterparty rating criteria to A- for Housing Associations approved by Council in June 2017, deposits of £10m each were placed with Hyde Housing Association (A+) and Places for People Homes (A) for two years at rates of 1.30% and 1.60% respectively.

### 3.4.4. Loan to Project Beckenham

3.4.4.1. At the same meeting, Council also approved the inclusion in the strategy of the secured loan to Project Beckenham relating to the provision of temporary accommodation for the homeless that had previously been agreed to be advanced from the Investment Fund. This loan was made in June 2017, at a rate of 6%, although that may increase to 7.5% if the loan to value ratio exceeds a specified value.

### 3.4.5. Pooled Investment Schemes

3.4.5.1. In September 2013, the Portfolio Holder and subsequently Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015, and then to £80m in June 2017. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.

#### CCLA Property Fund

3.4.5.2. Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015, £10m in October 2015 and £5m in October 2016. The investment in the CCLA

Fund is viewed as a medium to long-term investment and dividends are paid quarterly. The investment returned 5.25% net of fees in 2014/15, 5.02% in 2015/16, 4.55% in 2016/17 and 4.94% in the first half of 2017/18.

#### Diversified Growth Funds

3.4.5.3. In October 2014, Council approved the inclusion of investment in Diversified Growth Funds in the investment strategy and, in December 2014, £5m was invested with both Newton and Standard Life. In accordance with the Council decision, 27% of the total return will be transferred to the Parallel Fund, set up in 2014/15 with an opening balance of £2.7m to mitigate the potential revenue impact of future actuarial Pension Fund valuations.

3.4.5.4. The Funds both performed very well in just over three months to 31st March 2015, with returns over 21%. Performance has not so impressive since, with net returns for 2015/16, 2016/17 and the first half of 2017/18 of 0.85%, 2.23% and 0.33% respectively for the Newton Fund, and -5.04%, 0.37% and 1.57% respectively for the Standard Life Fund. The overall net returns since inception have been 3.29% and 0.76% for the Newton and Standard Life funds respectively, as shown in the table below.

<b>Annualised return</b>	<b>Newton %</b>	<b>Standard Life %</b>
224/12/14 - 31/03/15	21.46	21.85
01/04/15 - 31/03/16	0.85	-5.04
01/04/16 - 30/03/17	2.23	0.37
01/04/17 - 30/09/17	0.33	1.57
Cumulative return	3.29	0.76

3.4.5.5. The downturn in performance echoes that seen in the Pension Fund's DGFs (and Global Equities Funds to an extent) during 2015/16 and subsequent rebound during 2016/17. However, it should be noted that these types of investments should be considered as longer term investments over a three to five year period.

3.4.5.6. As reported in the Treasury Management Annual Report 2016/17, to reflect the changes to the Pension Fund asset allocation strategy, and on the basis of Multi-Asset Income Funds being a better income related investment with low volatility, it is currently intended that the DGF investments will be sold and the funds invested in Multi-Asset Income Funds. A decision on which fund to invest in is currently on hold until the outcome of the tender for Pension Fund mandate.

#### Multi-Asset Income Fund

3.4.5.7. Following the approval by Council in June 2017, the limit for pooled investment schemes was increased to £80m, and an investment of £30m was made on 12<sup>th</sup> July 2017 in the Fidelity Multi-Asset Income Fund following the agreement of the Resources Portfolio Holder. Although the fund paid dividends for the second quarter return (from inception) of 5.3%, this was partly offset by a reduction in capital value, resulting in a total return of 0.7%.

### **3.5. Mid-Year Review of Treasury Management Strategy Statement and Annual Investment Strategy for 2016/17**

3.5.1. The CIPFA Code of Practice on Treasury Management requires the Council to receive a mid-year review report on performance against the approved strategy. The Annual Investment Strategy was originally approved by Council in March 2017 and was updated in June 2017. A mid-year review, including comments on the economic background during the first half of 2017/18 and on the outlook, is included at Annex A.

### 3.5.2. Increase to the limit for pooled investment schemes to £100m

- 3.5.2.1. As a result of the good returns earned by the Council's current investments in pooled funds (see section 3.4.5 above), the lack of 'simple' investment opportunities providing a good return, and the need for the Council to generate income, it is proposed that the limit for such investments be increased from £80m to £100m.
- 3.5.2.2. When pooled investment schemes were originally approved for inclusion in the Council's Treasury Management Strategy, authority to make these investments was delegated to the Director of Resources in consultation with the Resources Portfolio Holder. It is proposed that this delegation continue for this additional £20m.
- 3.5.2.3. Details of the requirements for the investment in pooled funds were reported to Executive and Resources PDS Committee and Council in September 2013, and are summarised below:
- To minimise capital risk, a longer period of 3-5 years will be required;
  - Returns should be expected to exceed normal secured fixed term lending to eligible institutions by 2%;
  - It must be possible to sell investments within 6 months (9 for property);
  - The investment vehicle must have a proven track record over 3-5 years;
  - Historically, volatility must have been low; and
  - The Council's external adviser, Capita must support the proposals.

### 3.6. **Regulatory Framework, Risk and Performance**

- 3.6.1. The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
  - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken (although no restrictions have been made to date);
  - Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
  - The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
  - The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
  - Under the Act, the CLG has issued Investment Guidance to structure and regulate the Council's investment activities;
  - Under section 238(2) of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8<sup>th</sup> November 2007.
- 3.6.2. The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low risk approach.

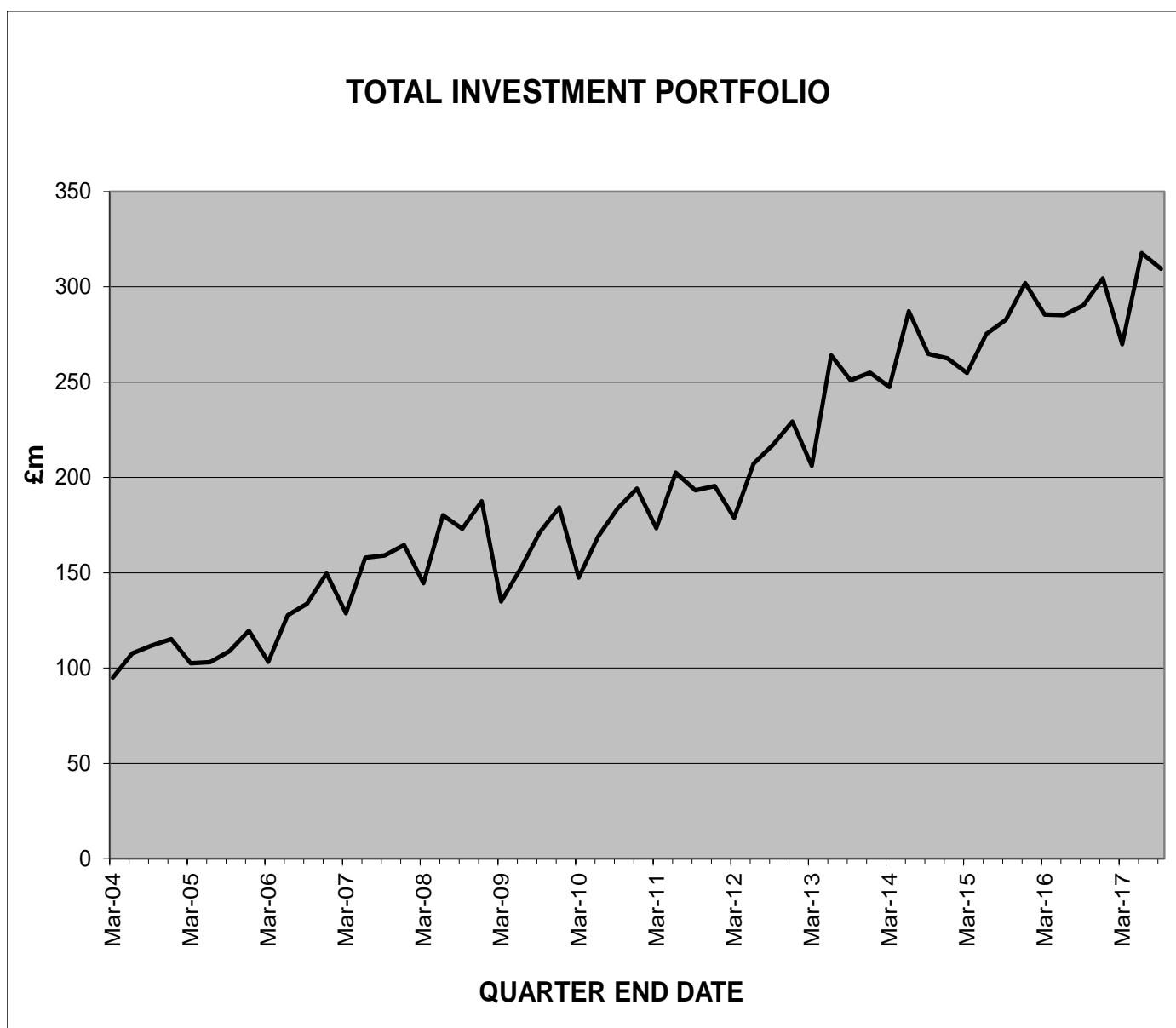
#### 4. POLICY IMPLICATIONS

- 4.1 In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

#### 5. FINANCIAL IMPLICATIONS

- 5.1 At the time of setting the 2017/18 budget, there was still no sign of interest rates improving following the reduction to the Bank of England base rate and coupled with the ability of banks to borrow from the Bank of England at very low rates through its Term Funding Scheme, so an average rate of 0.9% was prudently assumed for interest on new fixed term deposits. In addition to this, further Investment Fund and Growth Fund expenditure, and the Highways Investment capital scheme were expected to reduce the funds available for investment, and a reduction of £600k was included in the 2017/18 budget.
- 5.2 Although the Council has seen a significant reduction in the rates offered for new fixed-term deposits as well as overnight money market funds, a surplus of £500k is currently projected for the year, mainly due to the continued high level of balances available for investment, as well as the further investment in pooled funds, and high level of interest earned on the pooled funds, housing association deposits and Project Beckenham loan.

<b>Non-Applicable Sections:</b>	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Link Asset Services



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## INVESTMENTS HELD AS AT 30TH SEPTEMBER 2017

	Start Date	Maturity Date	Rate of Interest %	Amount £m
<b><u>FIXED DEPOSITS</u></b>				
ROYAL BANK OF SCOTLAND - CD	30/10/2014	30/10/2017	1.85	40.0
STANDARD CHARTERED	02/11/2016	02/11/2017	0.88	10.0
STANDARD CHARTERED	07/11/2016	07/11/2017	0.87	10.0
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90	3.0
LLOYDS BANK	16/04/2015	16/04/2018	1.49	30.0
LLOYDS BANK	26/05/2016	25/05/2018	1.48	10.0
GOLDMAN SACHS	02/08/2017	01/08/2018	0.93	10.0
GOLDMAN SACHS	18/08/2017	17/08/2018	0.79	5.0
GOLDMAN SACHS	19/09/2017	18/09/2018	0.95	5.0
LLOYDS BANK	19/11/2015	19/11/2018	1.82	5.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50	10.0
LLOYDS BANK	29/07/2016	31/07/2019	1.34	2.5
PLACES FOR PEOPLE HOMES LTD	16/08/2017	16/08/2019	1.60	10.0
HYDE HOUSING ASSOCIATION	22/08/2017	22/08/2019	1.30	10.0
LLOYDS BANK	18/08/2016	19/08/2019	1.14	7.5
LLOYDS BANK	05/12/2016	05/12/2019	1.37	25.0
<b>TOTAL FIXED DEPOSITS</b>				<b>193.0</b>
<b><u>OTHER INVESTMENTS</u></b>				
STANDARD LIFE (IGNIS) LIQUIDITY FUND	25/01/2010			12.3
FEDERATED (PRIME RATE) STERLING LIQUIDITY F	15/06/2009			1.8
SANTANDER (180 DAYS CALL ACCOUNT)	23/11/2015		0.55	10.0
SANTANDER (180 DAYS CALL ACCOUNT)	03/08/2016		0.55	10.0
SANTANDER (180 DAYS CALL ACCOUNT)	09/08/2016		0.55	10.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			30.0
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0
FIDELITY MULTI-ASSET INCOME FUND	12/07/2017			30.0
PROJECT BECKENHAM LOAN	09/06/2017			2.3
<b>TOTAL INVESTMENTS</b>				<b>309.4</b>

## APPENDIX 3

### INVESTMENTS HELD AS AT 30TH SEPTEMBER 2017

	Start Date	Maturity Date	Rate of Interest %	Amount £m	Total £m	Limit £m	Remaining £m
<b><u>UK BANKS</u></b>							
LLOYDS BANK	16/04/2015	16/04/2018	1.49	30.0			
LLOYDS BANK	26/05/2016	25/05/2018	1.48	10.0			
LLOYDS BANK	19/11/2015	19/11/2018	1.82	5.0			
LLOYDS BANK	29/07/2016	31/07/2019	1.34	2.5			
LLOYDS BANK	18/08/2016	19/08/2019	1.18	7.5			
LLOYDS BANK	05/12/2016	05/12/2019	1.37	25.0	80.0	80.0	0.0
ROYAL BANK OF SCOTLAND - CD	30/10/2014	30/10/2017	1.85	40.0	40.0	80.0	40.0
GOLDMAN SACHS INTERNATIONAL BANK	03/08/2016	01/08/2018	0.93	10.0			
GOLDMAN SACHS INTERNATIONAL BANK	18/08/2016	17/08/2018	0.79	5.0			
GOLDMAN SACHS INTERNATIONAL BANK		18/09/2018	0.95	5.0	20.0	20.0	0.0
STANDARD CHARTERED	02/11/2016	02/11/2017	0.88	10.0			
STANDARD CHARTERED	07/11/2016	07/11/2017	0.87	10.0	20.0	30.0	10.0
<b><u>LOCAL AUTHORITIES</u></b>							
BLAENAU GWENT CBC	04/12/2014	04/12/2017	1.90	3.0	3.0	15.0	12.0
LANCASHIRE COUNTY COUNCIL	18/12/2015	18/12/2018	1.50	10.0	10.0	15.0	5.0
<b><u>HOUSING ASSOCIATIONS</u></b>							
PLACES FOR PEOPLE HOMES LTD	04/12/2014	16/08/2019	1.60	10.0	10.0	10.0	0.0
HYDE HOUSING ASSOCIATION	18/12/2015	22/08/2019	1.30	10.0	10.0	10.0	0.0
<b><u>OTHER INVESTMENTS</u></b>							
STANDARD LIFE (IGNIS) LIQUIDITY FUND	25/01/2010			12.3	12.3	15.0	2.7
FEDERATED (PRIME RATE) STERLING LIQUIDITY F	15/06/2009			1.8	1.8	15.0	13.2
SANTANDER (180 DAYS CALL ACCOUNT)	23/11/2015		0.55	10.0			
SANTANDER (180 DAYS CALL ACCOUNT)	03/08/2016		0.55	10.0			
SANTANDER (180 DAYS CALL ACCOUNT)	09/08/2016		0.55	10.0	30.0	30.0	0.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			30.0			
STANDARD LIFE - DIVERSIFIED GROWTH FUND	22/12/2014			5.0			
NEWTON - DIVERSIFIED GROWTH FUND	22/12/2014			5.0			
FIDELITY MULTI-ASSET INCOME FUND	12/07/2017			30.0	70.0	80.0	10.0
PROJECT BECKENHAM LOAN	09/06/2017			2.3	2.3	2.3	0.0
<b>TOTAL INVESTMENTS</b>				<b>309.4</b>	<b>309.4</b>		



# Treasury Management Strategy Statement and Annual Investment Strategy

## Mid-year Review Report 2017/18

### 1 Background

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

### 2 Introduction

The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2011) was adopted by this Council on 20<sup>th</sup> February 2012.

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Executive and Resources PDS Committee:

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2017/18 financial year;

- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2017/18;
- A review of the Council's borrowing strategy for 2017/18;
- A review of any debt rescheduling undertaken during 2017/18;
- A review of compliance with Treasury and Prudential Limits for 2017/18.

## **Key Changes to the Treasury and Capital Strategies**

As detailed in section 3.5.2 of the covering report, it is proposed that the Investment Strategy be amended with an increase to the limit for pooled investment schemes from £80m to £100m.

### 3 Economic update (provided by Link Asset Services)

**GLOBAL OUTLOOK.** World growth looks to be on an encouraging trend of stronger performance, rising earnings and falling levels of unemployment. In October, the IMF upgraded its forecast for world growth from 3.2% to 3.6% for 2017 and 3.7% for 2018.

In addition, **inflation prospects are generally muted** and it is particularly notable that **wage inflation** has been subdued despite unemployment falling to historically very low levels in the UK and US. This has led to many comments by economists that there appears to have been a fundamental shift downwards in the Phillips curve (this plots the correlation between levels of unemployment and inflation e.g. if the former is low the latter tends to be high). In turn, this raises the question of what has caused this? The likely answers probably lay in a combination of a shift towards flexible working, self-employment, falling union membership and a consequent reduction in union power and influence in the economy, and increasing globalisation and specialisation of individual countries, which has meant that labour in one country is in competition with labour in other countries which may be offering lower wage rates, increased productivity or a combination of the two. In addition, technology is probably also exerting downward pressure on wage rates and this is likely to grow with an accelerating movement towards automation, robots and artificial intelligence, leading to many repetitive tasks being taken over by machines or computers. Indeed, this is now being labelled as being the start of the **fourth industrial revolution**.

#### **KEY RISKS - central bank monetary policy measures**

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as Quantitative Easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that that period of stimulating economic recovery and warding off the threat of deflation is coming towards its close and a new period has already started in the US, and more recently, in the UK, on reversing those measures i.e. by raising central rates and (for the US) reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of an on-going reduction in spare capacity in the economy, and of unemployment falling to such low levels that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this then also encouraged investors into a search for yield and into investing in riskier assets such as equities. This resulted in bond markets and equity market prices both rising to historically high valuation levels simultaneously. This, therefore, makes both asset categories vulnerable to a sharp correction. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery by taking too rapid and too strong action, or, alternatively, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.**

There is also a potential key question over whether economic growth has become too dependent on strong central bank stimulus and whether it will maintain its momentum against a backdrop of rising interest rates and the reversal of QE. In the UK, a key vulnerability is the **low level of productivity growth**, which may be the main driver for increases in wages; and **decreasing consumer disposable income**, which is important in the context of consumer expenditure primarily underpinning UK GDP growth.

A further question that has come to the fore is whether **an inflation target for central banks of 2%**, is now realistic given the shift down in inflation pressures from internally generated inflation, (i.e. wage inflation feeding through into the national economy), given the above mentioned shift down in the Phillips curve.

- Some economists favour a shift to a **lower inflation target of 1%** to emphasise the need to keep the lid on inflation. Alternatively, it is possible that a central bank could simply 'look through' tepid

wage inflation, (i.e. ignore the overall 2% inflation target), in order to take action in raising rates sooner than might otherwise be expected.

- However, other economists would argue for a **shift UP in the inflation target to 3%** in order to ensure that central banks place the emphasis on maintaining economic growth through adopting a slower pace of withdrawal of stimulus.
- In addition, there is a strong argument that central banks should **target financial market stability**. As mentioned previously, bond markets and equity markets could be vulnerable to a sharp correction. There has been much commentary, that since 2008, QE has caused massive distortions, imbalances and bubbles in asset prices, both financial and non-financial. Consequently, there are widespread concerns at the potential for such bubbles to be burst by exuberant central bank action. On the other hand, too slow or weak action would allow these imbalances and distortions to continue or to even inflate them further.
- Consumer debt levels are also at historically high levels due to the prolonged period of low cost of borrowing since the financial crash. In turn, this cheap borrowing has meant that **other non-financial asset prices**, particularly house prices, have been driven up to very high levels, especially compared to income levels. Any sharp downturn in the availability of credit, or increase in the cost of credit, could potentially destabilise the housing market and generate a sharp downturn in house prices. This could then have a destabilising effect on consumer confidence, consumer expenditure and GDP growth. However, no central bank would accept that it ought to have responsibility for specifically targeting house prices.

**UK.** After the UK surprised on the upside with strong economic growth in 2016, **growth in 2017 has been disappointingly weak**; quarter 1 came in at only +0.2% (+2.0% y/y), quarter 2 was +0.3% (+1.7% y/y) and quarter 3 was +0.4% (+1.6% y/y). The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the EU referendum, feeding increases in the cost of imports into the economy. This has caused, in turn, a reduction in consumer disposable income and spending power and so the services sector of the economy, accounting for around 80% of GDP, has seen weak growth as consumers cut back on their expenditure. However, more recently there have been encouraging statistics from the **manufacturing sector** which is seeing strong growth, particularly as a result of increased demand for exports. It has helped that growth in the EU, our main trading partner, has improved significantly over the last year while robust world growth has also been supportive. However, this sector only accounts for around 10% of GDP so expansion in this sector will have a much more muted effect on the overall GDP growth figure for the UK economy as a whole.

While the Bank of England is expected to give forward guidance to prepare financial markets for gradual changes in policy, the **Monetary Policy Committee, (MPC), meeting of 14 September 2017** managed to shock financial markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate will need to rise soon. The Bank of England Inflation Reports during 2017 have clearly flagged up that it expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. The Bank revised its forecast for the peak to just over 3% at the 14 September meeting MPC. (Inflation actually came in at 3.0% in September and is expected to rise slightly in the coming months.) This marginal revision in the Bank's forecast can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment having already fallen to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that **the amount of spare capacity in the economy was significantly diminishing** towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of automation and globalisation. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a *decrease* in such globalisation pressures in the UK, and so this would cause additional inflationary pressure over the next few years.

At its 2 November meeting, the MPC duly delivered a 0.25% increase in Bank Rate. It also gave forward guidance that they expected to increase Bank Rate only twice more in the next three years to reach 1.0% by 2020. This is, therefore, not quite the 'one and done' scenario but is, nevertheless, a very relaxed rate of increase prediction in Bank Rate in line with previous statements that Bank Rate would only go up very gradually and to a limited extent.

However, some forecasters are flagging up that they expect growth to accelerate significantly towards the end of 2017 and then into 2018. This view is based primarily on the coming fall in inflation, (as the effect of

the effective devaluation of sterling after the EU referendum drops out of the CPI statistics), which will bring to an end the negative impact on consumer spending power. In addition, a strong export performance will compensate for weak services sector growth. If this scenario was indeed to materialise, then the MPC would be likely to accelerate its pace of increases in Bank Rate during 2018 and onwards.

It is also worth noting the **contradiction within the Bank of England** between action in 2016 and in 2017 **by two of its committees**. After the shock result of the EU referendum, the **Monetary Policy Committee (MPC)** voted in August 2016 for emergency action to cut Bank Rate from 0.50% to 0.25%, restarting £70bn of QE purchases, and also providing UK banks with £100bn of cheap financing. The aim of this was to lower borrowing costs, stimulate demand for borrowing and thereby increase expenditure and demand in the economy. The MPC felt this was necessary in order to ward off their expectation that there would be a sharp slowdown in economic growth. Instead, the economy grew robustly, although the Governor of the Bank of England strongly maintained that this was *because* the MPC took that action. However, other commentators regard this emergency action by the MPC as being proven by events to be a mistake. Then in 2017, we had the **Financial Policy Committee (FPC)** of the Bank of England taking action in June and September over its concerns that cheap borrowing rates, and easy availability of consumer credit, had resulted in too rapid a rate of growth in consumer borrowing and in the size of total borrowing, especially of unsecured borrowing. It, therefore, took punitive action to clamp down on the ability of the main banks to extend such credit! Indeed, a PWC report in October 2017 warned that credit card, car and personal loans and student debt will hit the equivalent of an average of £12,500 per household by 2020. However, averages belie wide variations in levels of debt with much higher exposure being biased towards younger people, especially the 25 -34 year old band, reflecting their lower levels of real income and asset ownership.

One key area of risk is that consumers may have become used to cheap rates since 2008 for borrowing, especially for mortgages. It is a major concern that **some consumers may have over extended their borrowing** and have become complacent about interest rates going up after Bank Rate had been unchanged at 0.50% since March 2009 until falling further to 0.25% in August 2016. This is why forward guidance from the Bank of England continues to emphasise slow and gradual increases in Bank Rate in the coming years. However, consumer borrowing is a particularly vulnerable area in terms of the Monetary Policy Committee getting the pace and strength of Bank Rate increases right - without causing a sudden shock to consumer demand, confidence and thereby to the pace of economic growth.

Moreover, while there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two to three years will actually pan out.

**EU.** Economic growth in the EU, (the UK's biggest trading partner), had been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and has now gathered substantial strength and momentum thanks to this stimulus. GDP growth was 0.5% in quarter 1 (2.0% y/y), 0.6% in quarter 2 (2.3% y/y) and +0.6% in quarter 3 (2.5% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in October inflation was 1.4%. It is therefore unlikely to start on an upswing in rates until possibly 2019. It has, however, announced that it will slow down its monthly QE purchases of debt from €60bn to €30bn from January 2018 and continue to at least September 2018.

**USA.** Growth in the American economy was notably erratic and volatile in 2015 and 2016. 2017 is following that path again with quarter 1 coming in at only 1.2% but quarter 2 rebounding to 3.1% and quarter 3 coming in at 3.0%. Unemployment in the US has also fallen to the lowest level for many years, reaching 4.2%, while wage inflation pressures, and inflationary pressures in general, have been building. The Fed has started on a gradual upswing in rates with four increases in all and three increases since December 2016; and there could be one more rate rise in 2017, which would then lift the central rate to 1.25 – 1.50%. There could then be another four increases in 2018. At its September meeting, the Fed said it would start in October to gradually unwind its \$4.5 trillion balance sheet holdings of bonds and mortgage backed securities by reducing its reinvestment of maturing holdings.

**CHINA.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess

industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

**JAPAN** has been struggling to stimulate consistent significant growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

## **4 Treasury Management Strategy Statement and Annual Investment Strategy update**

The Treasury Management Strategy Statement (TMSS) for 2017/18 was approved by this Council on 1<sup>st</sup> March 2017. A subsequent revision was approved by Council on 26<sup>th</sup> June 2017, which included the following changes to the strategy:

- Inclusion of a secured loan that helps deliver the Council's housing objectives;
- An increase to the limit for pooled investment schemes to £80m;
- A reduction to the counterparty rating criteria for Housing Associations to A-;
- A temporary increase in the counterparty limit with Lloyds bank.

## **5 Investment Portfolio**

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As shown by forecasts in section 3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.50% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk and short term strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

Details of the Council's investment activity during the first six months of 2017/18 are provided in sections 3.2.2 to 3.4.5 of the covering report and lists of current investments are provided in Appendices 3 (in maturity date order) and 4 (by counterparty). The Council held £309.4m of investments as at 30th September 2017 (£292.3m as at 30th June 2017).

The Director of Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2017/18.

The Council's budget for interest on investments in 2017/18 is £2.891m, which is based on an assumed interest rate of 0.90% for new investments. As a result of the higher interest rates being earned on new investments made on recent investments as well as higher levels of balances available for investment, a surplus of £500k is currently projected for the 2017/18 financial year.

### **Investment Counterparty criteria**

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

## **6 Borrowing**

The Council's capital financing requirement (CFR) for 2017/18 is £2.3m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council does not currently borrow to finance its capital expenditure and has, in recent years, only had to borrow short-term (for cashflow purposes) on a very few occasions.

No borrowing is currently anticipated during this financial year, but it is possible that some may be required in future years to fund the property purchases related to Opportunity Site G, which would be repaid from the capital receipts from the scheme.

## Prudential and Treasury Indicators – Mid-Year Review 2017/18

The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2017/18 were approved by Council in March 2017 and this Annex sets out the actual performance against those indicators in the first six months, updating them where necessary. Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy.

The Council is required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. This original 2001 Code was adopted by the full Council in February 2002 and the revised 2011 Code was initially adopted by full Council in February 2012.

### Prudential Indicators for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the Capital Programme for 2017/18 was agreed in March 2018. The decrease in the latest estimate for 2017/18 is mainly the result of slippage in expenditure originally planned for 2017/18 into future years, as highlighted in previous reports to the Executive and to PDS Committees.

Capital Expenditure by Portfolio	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
Education	32.9	22.5
Renewal & Recreation	4.6	6.1
Environment	15.0	16.4
Care Services	11.2	7.9
Resources	23.3	19.1
Public Protection & Safety	-	-
Less: estimated slippage	-10.0	-7.5
<b>Total</b>	<b>77.0</b>	<b>64.5</b>

### Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure.

Capital Expenditure	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
Supported	77.0	64.5
Unsupported	-	-
<b>Total spend</b>	<b>77.0</b>	<b>64.5</b>
Financed by:		
Capital receipts	7.4	24.7
Capital grants/contributions	49.7	36.6
General Fund	-	-
Revenue contributions	19.9	3.2
<b>Total financing</b>	<b>77.0</b>	<b>64.5</b>
<b>Borrowing need</b>	<b>-</b>	<b>-</b>



## Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”, which comprise external / internal borrowing and other long-term liabilities, mainly finance leases. The Council’s approved Treasury and Capital Prudential Indicators (affordability limits) are outlined in the approved TMSS. The table below shows the expected “worst case” debt position over the period. This is termed the Operational Boundary. Bromley has an operational “borrowing” limit (Operational Boundary) of £30m, although in practice, this limit is never in danger of being breached.

The Authorised Limit, which represents the limit beyond which borrowing is prohibited, is another of the prudential indicators and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003 and, for Bromley, this figure has been set at £60m.

The table also shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. The Council’s capital financing requirement (CFR) as at 1<sup>st</sup> April 2017 was £3.1m. If the CFR is positive, the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The Council’s CFR relates to liabilities arising from finance leases entered into in recent years in respect of various items of plant and equipment. The Council currently has no external borrowing as such.

Prudential Indicators	2017/18 Original Estimate £m	2017/18 Revised Estimate £m
CFR	2.2	2.3
<b>Debt – Operational Boundary</b>		
Borrowing	10.0	10.0
Other long-term liabilities	20.0	20.0
<b>Total Operational Boundary</b>	<b>30.0</b>	<b>30.0</b>
<b>Debt – Authorised Boundary</b>		
Borrowing	30.0	30.0
Other long-term liabilities	30.0	30.0
<b>Total Operational Boundary</b>	<b>60.0</b>	<b>60.0</b>

## Other Prudential Indicators

Other indicators designed to control overall borrowing and exposures to interest rate movements are included in the summary table below, which will require the approval of full Council.

## Prudential and Treasury Indicators - Summary

	2017/18	2017/18
	Original Estimate	Revised Estimate
Total Capital Expenditure	£77.0m	£67.0m
Ratio of financing costs to net revenue stream	0.0%	0.0%
Net borrowing requirement (net investments for Bromley)		
brought forward 1 April	£255.0m	£269.9m
carried forward 31 March	£241.1m	£246.7m
in year borrowing requirement (reduction in net investments for Bromley)	-£13.9m	-£23.2m
Estimated CFR as at 31 March (finance lease liability)	£2.2m	£2.3m
(NB. Actual CFR as at 31 March 2017 (finance lease liability) = £3.1m)		
Annual change in Cap. Financing Requirement	-£0.6m	-£0.5m
Incremental impact of capital investment decisions	£ p	£ p
Increase in council tax (band D) per annum	-	-

TREASURY MANAGEMENT INDICATORS	2017/18 Original Estimate	2017/18 Revised Estimate
Authorised Limit for external debt -		
borrowing	£30.0m	£30.0m
other long term liabilities	£30.0m	£30.0m
TOTAL	£60.0m	£60.0m
Operational Boundary for external debt -		
borrowing	£10.0m	£10.0m
other long term liabilities	£20.0m	£20.0m
TOTAL	£30.0m	£30.0m
Upper limit for fixed interest rate exposure	100%	100%
Upper limit for variable rate exposure	20%	20%
Upper limit for total principal sums invested beyond year-end dates	£170.0m	£170.0m

Report No.  
CSD17161

London Borough of Bromley

## PART ONE - PUBLIC

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**Decision Maker:** COUNCIL

**Date:** Monday 11 December 2017

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

**Title:** UPDATES TO THE SCHEME OF DELEGATION TO OFFICERS -  
PUBLIC PROTECTION AND SAFETY PORTFOLIO

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At its meeting on 28<sup>th</sup> November 2017, the General Purposes and Licensing Committee considered and approved the attached report recommending some minor changes to the scheme of Delegation to Officers concerning the Public Protection and Safety Portfolio.

---

2. RECOMMENDATIONS

(1) That Council approves the updated Public Protection and Safety Delegations to Officers in respect of non-executive functions.

(2) That Council notes the updated Public Protection and Safety Delegations to Officers in respect of executive functions received from the Leader of the Council

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Safe Bromley:
- 

## 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
- 

## Personnel

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 Local Government Act 1972 and successive legislation.
  2. Call-in: Not Applicable:
- 

## Procurement

1. Summary of Procurement Implications: Not 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

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	Scheme of Delegation approved May 2017

**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE  
COUNCIL

**Date:** 28<sup>th</sup> November 2017/11<sup>th</sup> December 2017

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

**Title:** UPDATES TO THE SCHEME OF DELEGATION TO OFFICERS –  
PUBLIC PROTECTION AND SAFETY PORTFOLIO

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743    E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** N/A

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1. Reason for report

- 1.1 At the annual Council meeting in May each year a Scheme of Delegation to Officers is approved by Council in respect of non-executive functions, and by the Leader in respect of executive functions. Some minor additional changes are proposed to update the delegations relating to the Public Protection and Safety Portfolio. The changes are relatively minor, and are shown in Appendix 1.

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2. RECOMMENDATIONS

- (1) That Council approves the updated Public Protection and Safety Delegations to Officers in respect of non-executive functions.
- (2) That Council notes the updated Public Protection and Safety Delegations to Officers in respect of executive functions received from the Leader of the Council.

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### 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
- 

### Personnel

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: Local Government Act 1972 and successive legislation.
  2. Call-in: Not Applicable:
- 

### Procurement

1. Summary of Procurement Implications: Not 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. BACKGROUND

- 3.1 At the annual Council meeting in May each year a Scheme of Delegation to Officers is approved by Council in respect of non-executive functions, and by the Leader in respect of executive functions. This reflects the requirement under the Local Government and Public Involvement in Health Act 2007 that any executive powers delegated to officers have to be delegated not by Council, but by the Leader of the Council. The executive or non-executive origin of each delegation is reflected in the Scheme in a column which indicates whether the delegation is executive, non-executive, or both.
- 3.2 Some minor changes are required to the Public Protection and Safety Portfolio delegations to ensure that they remain up to date and in line with current legislation, with out of date references removed. The changes are relatively minor, and the amended wording is shown in Appendix 1.

<b>Non-Applicable Sections:</b>	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Scheme of Delegation approved May 2017

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**PUBLIC PROTECTION & SAFETY PORTFOLIO/  
RELEVANT REGULATORY COMMITTEE(S)**

<b>Officer(s) Authorised</b>	<b>Authority to:</b>	<b>Responsibility delegated from</b>
DCS	(1) In consultation with the Executive Director of Environment and Community Services, prosecution of offences for the selling of spray paint and graffiti implements to children under 16 under the Anti-Social Behaviour Act Section 54 and Environmental Protection Act 1990 Section 59.	Leader
DECS	(2) The issue of fixed penalty notices to abate noise under the London Local Authorities' Act 2004 Sections 15-17 and Schedule 2.	Council
DECS	(3) Enforcement of by-law breaches under the London Local Authorities' Act 2004.	Council
DCS	(4) In consultation with the Executive Director of Environment and Community Services, make parenting contracts and parenting orders in respect of criminal conduct and anti-social behaviour under sections 25 and 26 of the Anti-Social Behaviour Act 2003.	Leader
Fireworks		
DECS	(5) The grant of new applications and the renewal of a licence to retail fireworks outside prescribed periods in cases where (in the latter case) the applicant has not committed any offence prescribed in the Fireworks Regulations 2004 during the licence period.	Leader
Environmental Health/Weights and Measures/Consumer Protection		
DECS	(6) Carry out the Council's functions with regard to weights and measures and other relevant trading standards and consumer protection legislation.	Leader
DECS	(7) Administer the legislation listed in Part I of Appendix C of the report of the Director of Environmental Services to Environmental Services Committee on 7 <sup>th</sup> June 2000, <i>(as updated at appendix A to this scheme)</i> with the exception of any provision delegated exclusively by statute to another person	Council/Leader

or body, or any provisions the administration of which have already been delegated within this Authority.

DECS	(8)	Carry out the Council's functions with regard to public health, environmental protection control of pollution, food safety and quality, health and safety at work, pest control, communicable disease control, animal welfare, water supply and water quality, young persons and tobacco and other relevant environmental health legislation.	Council/Leader
DECS	(9)	Institute enforcement action and, subject to the Director of Corporate Services being satisfied with the evidence in each case, legal proceedings, in respect of (6), (7) and (8) above.	Council/Leader
DECS	(10)	Authorise employees and, where appropriate, inspectors to carry out functions in relation to (6), (7) and (8) above.	Council/Leader
DECS	(11)	Authorise employees to sign statutory notices in respect of functions relating to (6), (7) and (8) above.	
DECS	(12)	Authorise persons other than employees of the Council for the purposes of providing specialist advice and support in relation to (6), (7) and (8) above.	Council/Leader
DECS	(13)	Grant, renew or transfer (but not refuse or revoke) licences, registrations and authorisations relating to food safety, animal welfare, special treatments, supply and retail of alcohol, public entertainment, late night refreshment, gaming and gambling, sports grounds, scrap metal, sex establishments, caravan sites, hypnotism, environmental protection and Houses in Multiple Occupation.	Council
DECS	(14)	Manage caravan sites owned by the Council.	Leader
DECS	(15)	Carry out the Council's functions under S.16 of the Local Government (Miscellaneous Provisions) Act 1976 and authorise officers to serve notices under S.16 of the Act.	Council
DECS	(16)	Discharge functions relating to the detainment, examination and seizure of food under the Food	Council/Leader

Safety Act 1990 both within the Borough and in all local authorities in England and Wales where reciprocal arrangements exist. (In addition all local authorities in England and Wales are authorised to discharge the above functions within Bromley Borough.)

DECS	(17)	Take action under the Fire Safety and Safety at Places of Sport Act 1987 to approve but not refuse applications for certificates or licences under the Act.	Council
DECS	(18)	Employ veterinary surgeons in conjunction with the Council's functions under diseases of animals, animal welfare and other related legislation.	Leader
DECS	(19)	Authorise persons as competent engineers under Section 31 of the GLC (General Powers) Act 1973.	Council
DECS	(20)	Carry out the Council's functions under Sections 27 and 29 to 32 of the Local Government (Miscellaneous Provisions) Act 1982 in respect of blocked and defective drains and securing of buildings.	Leader
DECS	(21)	Approve payment of compensation under the Public Health (Control of Diseases) Act 1984.	
DECS	(22)	Authorise competent Council officers to act under the provisions of the Health Act 2006, Schedule 2 (powers of entry) and Section 9 (fixed penalty notices).	Leader
DECS	(23)	Act as the "Proper Officer" under the Public Health (Control of Disease) Act 1984 as amended by the Health and Social Care Act 2008 and appoint officers from the Council, Health Protection Agency or other organisations as necessary to exercise specific functions and powers as given to them (as set out in Appendix B to this scheme.)	Leader

Regulation of  
Investigatory  
Powers

DECS	(24)	Authorise action under Sections 28 and 29 of the Regulation of Investigatory Powers Act 2000.	Leader
DECS	(25)	Exercise functions and powers under the Scrap Metal Dealers Act 2013 including – (i) determining applications where refusal is being considered; 2. granting licences where there is no prospect of refusal; 3. imposing conditions as set out in section 4(9) where the site manager has relevant convictions; 4. revoking licences under specific conditions; 5. exercising the rights of entry and inspection; 6. applying to a Magistrates Court for warrants of entry; and 7. closing unlicensed sites.	Leader
CEX, DECS and DCS	(26)	Exercise functions related to the Anti-social Behaviour, Crime and Policing Act 2014 as set out in appendix 2 to the report of the Executive Director of Environment and Community Services to the Executive on 26 <sup>th</sup> November 2014.	Leader

Report No.  
CSD17171

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** **COUNCIL**

**Date:** **Monday 11 December 2017**

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

**Title:** **COUNCILLOR ATTENDANCE**

**Contact Officer:** Graham Walton, Democratic Services Manager  
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

**Chief Officer:** Mark Bowen, Director of Corporate Services

**Ward:** Crystal Palace

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1. Reason for report

- 1.1 Under Section 85 of the Local Government Act 1972, if a member of a local authority fails to attend any Council meeting (which can include any Committee, Sub-Committee, Executive or full Council meeting) for a continuous period of six months they shall cease to be a member of the authority, unless the Council approves the non-attendance before the end of the six months. Councillor Richard Williams has been unwell for some months and last attended a Council meeting on 6<sup>th</sup> July 2017, so the six month period will expire in January. Councillor Williams continues to deal with emails and casework while he awaits surgery, and he has requested that Council approves his continued absence until the end of the municipal year.

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2. **RECOMMENDATION**

**That under Section 85 of the Local Government Act 1972 Council approves the non-attendance at meetings of Councillor Richard Williams on the grounds of ill-health until the end of the municipal year.**

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

## Corporate Policy

1. Policy Status: Not Applicable:
  2. BBB Priority: Excellent Council:
- 

## Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Democratic Representation
  4. Total current budget for this head: £1,068,450
  5. Source of funding: Revenue Budget 2017/18
- 

## Personnel

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: Not Applicable:
- 

## Procurement

1. Summary of Procurement Implications: Not 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

<b>Non-Applicable Sections:</b>	All
Background Documents: (Access via Contact Officer)	None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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of the Local Government Act 1972.

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