



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Graham Walton
graham.walton@bromley.gov.uk

DIRECT LINE: 020 8461 7743

FAX: 020 8290 0608

DATE: 9 May 2019

To: Members of the
EXECUTIVE

Councillor Colin Smith (Chairman)

Councillors Graham Arthur, Peter Fortune, William Huntington-Thresher, Kate Lymer,
Peter Morgan and Diane Smith

A meeting of the Executive will be held at Bromley Civic Centre on **TUESDAY 21
MAY 2019 AT 7.00 PM**

MARK BOWEN
Director of Corporate Services

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

A G E N D A

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions that are not specific to reports on the agenda must have been received in writing 10 working days before the date of the meeting.

Questions specifically relating to reports on the agenda should be received within two working days of the normal publication date of the agenda. Please ensure that questions specifically on reports on the agenda are received by the Democratic Services Team by **5pm on Wednesday 15th May 2019.**

**4 TO CONFIRM THE MINUTES OF THE MEETINGS HELD ON 27TH MARCH AND
30TH APRIL 2019 (Pages 5 - 16)**

5 MATTERS OUTSTANDING FROM PREVIOUS MEETINGS (Pages 17 - 20)

- 6 **EXECUTIVE APPOINTMENTS** (Pages 21 - 24)
- 7 **PROVISIONAL FINAL ACCOUNTS 2018/19** (Pages 25 - 100)
- 8 **CAPITAL PROGRAMME OUTTURN 2018/19** (Pages 101 - 114)
- 9 **REGIONALISATION OF ADOPTION SERVICES** (Pages 115 - 126)
- 10 **WEST WICKHAM LEISURE AND LIBRARY REDEVELOPMENT** (Pages 127 - 142)
West Wickham Ward
- 11 **HOUSING TRANSFORMATION BOARD: INCREASING AFFORDABLE HOUSING SUPPLY** (Pages 143 - 154)
- 12 **MORE HOMES BROMLEY - APPOINTMENT OF DIRECTOR** (Pages 155 - 158)
- 13 **GATEWAY REPORT: PROVISION OF HOUSING SUPPLY IN ANERLEY AND CHISLEHURST (PART 1)** (Pages 159 - 172)
Crystal Palace and Chislehurst wards
- 14 **ELECTORAL REVIEW** (Pages 173 - 236)
- 15 **CONSIDERATION OF ANY OTHER ISSUES REFERRED FROM THE EXECUTIVE, RESOURCES AND CONTRACTS POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**
- 16 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

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

Items of Business

Schedule 12A Description

- 17 **EXEMPT MINUTES OF THE MEETINGS HELD ON 27TH MARCH AND 30TH APRIL 2019**
(Pages 237 - 242)

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

**18 GATEWAY REPORT: PROVISION OF HOUSING
SUPPLY IN ANERLEY AND CHISLEHURST
(PART 2) (Pages 243 - 258)**

Crystal Palace and Chislehurst wards

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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EXECUTIVE

Minutes of the meeting held on 27 March 2019 starting at 7.00 pm

Present:

Councillor Colin Smith (Chairman)
Councillors Graham Arthur, William Huntington-Thresher,
Kate Lymer, Peter Morgan and Diane Smith

Also Present:

Councillor Nicholas Bennett J.P., Councillor Simon
Fawthrop and Councillor Angela Wilkins

125 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Cllr Peter Fortune.

126 DECLARATIONS OF INTEREST

There were no declarations of interest.

(During consideration of Minute 136, Councillor Kate Lymer declared an interest as her brother was employed by one of companies involved.)

127 QUESTIONS

Questions had been received from Mr Michael Hall and Councillor Angela Wilkins. The questions and replies are set out in Appendix A to these minutes.

128 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 13TH FEBRUARY 2019

RESOLVED that the minutes of the meeting held on 10th February 2019 (excluding exempt information) be confirmed.

129 BUDGET MONITORING 2018/19 Report FSD19039

The Executive considered the third budget monitoring report for 2018/19 on expenditure and activity levels up to the end of December 2018. The report also highlighted significant variations which would impact on future years as well as early warnings that could impact on the final year end position.

Supplementary information had been circulated in support of two additional recommendations - to recommend to Council that an additional £1.1m (total £2m) of Bromley CCG funding be set aside to support health and social care as an earmarked reserve, and that £57,742 be set aside for High Street Clean

up and £57,745 for a Parks Improvement Fund as an earmarked reserve to fund these initiatives following the announcement of one-off Government funding.

The report had been scrutinised by the Executive, Resources and Contracts PDS Committee at its meeting on 19th March 2019, and the Committee had supported the recommendations.

RESOLVED that

- (1) The latest financial position be noted.**
- (2) It is noted that a projected net overspend on services of £648k is forecast based on information as at December 2018.**
- (3) The comments from Chief Officers detailed in appendix 2 to the report be noted.**
- (4) The projected variation of £221k credit from investment income as detailed in sections 3.5 and 3.6 of the report, be noted.**
- (5) The projected variation of £826k in the central contingency, as detailed in section 3.2 of the report, be noted.**
- (6) The projected increase to the General Fund balance of £1,096k as detailed in section 3.3 of the report be noted.**
- (7) The release of £376k from the 2018/19 Central Contingency relating to additional savings and income from the Amey contract as detailed in paragraph 3.2.3 of the report be agreed.**
- (8) The release of £200k for the staff merit award from the 2018/19 Central Contingency to an earmarked reserve as detailed in paragraph 3.2.3 of the report be agreed.**
- (9) The release of £200k for Civic Centre improvements from the 2018/19 Central Contingency to an earmarked reserve as detailed in paragraph 3.2.4 of the report.**
- (10) The release of £500k for the Transformation programme from the 2018/19 Central Contingency to an earmarked reserve as detailed in paragraph 3.2.5 of the report be agreed.**
- (11) The return to contingency of £227k of additional grant to the 2018/19 Central Contingency as detailed in paragraph 3.2.6 of the report.**
- (12) The return to contingency of £500k of grant to the 2018/19 Central Contingency and the recommended use of this grant as detailed in paragraph 3.2.7 of the report.**

(13) £187k of the Social Care grant for the implementation of Pre-paid cards in 2019/20 be set aside as detailed in paragraph 3.2.8 of the report.

(14) The release of £744k Adult Social Care grant income from the 2018/19 Central Contingency as detailed in paragraph 3.2.9 of the report be noted.

(15) The release of £1,190k for Social Care Investment to ease NHS Winter pressures from the 2018/19 Central Contingency as detailed in paragraph 3.2.10 of the report be agreed.

(16) Council be recommended that £7.5m be set aside in the Housing Investment Fund earmarked from underspends in the 2018/19 Central Contingency for the Council's Housing transformation strategy as detailed in paragraph 3.2.12 of the report.

(17) It is noted that reports elsewhere on the agenda request the drawdown of £2,489k relating to Housing from the central contingency as set out in paragraph 3.2.12 of the report.

(18) The Dedicated Schools Grant balance, the increased funding and the use of that funding as detailed in section 3.7 of the report be noted.

(19) Allocation of £75k from the Growth Fund to cover the costs of the West Wickham BID project as set out in paragraph 3.9 of the report be agreed.

(20) The full year cost pressures of £6.5m as detailed in 3.4 of the report be noted.

(21) Council be recommended to set aside £2m of Bromley CCG funding to support health and social care as an earmarked reserve (as detailed in section 3.11 of the report and the supplementary information.)

(22) Sums of £57,742 for High Street Clean Up and £57,745 for Parks Improvement Fund be set aside as an earmarked reserve in order to support these initiatives which will be fully funded from the recently announced one off Government funding.

130 CONTINGENCY DRAWDOWN: HOMELESSNESS AND TEMPORARY ACCOMMODATION PRESSURES
Report CS18209

The report updated Members on homeless numbers during 2018/19, the range of initiatives undertaken to, wherever possible, reduce the associated rising budget pressures, and forthcoming challenges arising from both the introduction of the Homelessness Reduction Act 2017 and the commencement of universal credit roll-out in Bromley. It was proposed that £2,489 be drawn down from central contingency for homelessness and welfare reform measures, and the impact of the Homeless Reduction Act.

Executive
27 March 2019

Members noted that the amount that needed to be drawn down was lower than had been expected.

The Leader noted that the number of homeless families had actually reduced and thanked the Director of Housing and her staff for their excellent work in mitigating housing pressures by acquiring properties and preventing homelessness. The Portfolio Holder for Renewal, Recreation and Housing added that work was continuing on the potential for a phase 2 of the More Homes Bromley project, and providing modular homes on Council owned land.

The report had been scrutinised by the Renewal, Recreation and Housing PDS Committee on 6th May 2019.

RESOLVED that a sum of £2,489k be released from the 2018/19 Central contingency; £1,739k set aside to offset the current homelessness and temporary accommodation budget pressures and £750k for the impact of the Homeless Reduction Act.

**131 CONSTITUTION IMPROVEMENT WORKING GROUP - MINOR
CONSTITUTIONAL CHANGES**
Report CSD19053

The Constitution Improvement Working Group had met on 21st January and had made a number of recommendations to update the Council's Constitution. The most significant changes related to the arrangements for dealing with formal questions at meetings, setting earlier deadlines for general questions, but allowing questions on matters on the agenda to be submitted closer to the meeting date. The Working Group had also asked officers to investigate the provision of smartphones to Members; one Executive member considered this unnecessary, and the Leader suggested that were any member to hold concerns on either this or any other issue they could of course be referred back to a future meeting of the Constitution Improvement Working Group for further consideration.

The report had been considered by the General Purposes and Licensing Committee at its meeting on 19th March 2019 and the Committee had supported the recommendations. However, the Committee had also made an additional recommendation that all committees and sub-committees should be required to receive a "matters outstanding" report on their agendas. The Director of Corporate Services advised that a report should be provided in each case (and not just an agenda heading) as access to information rules required that committees and sub-committees should only consider the matters before them in their agenda papers.

RESOLVED that

(1) Council be recommended to approve the changes to the Council's Constitution proposed by the Constitution Improvement Working Group.

(2) Council be recommended to approve the additional recommendation from General Purposes and Licensing Committee that a requirement be added to the Constitution that all Committees and Sub-Committees should be required to have a “matters outstanding” report on their agendas.

132 CONTRACT AWARD: INSURANCE POLICIES (PART 1)
Report FSD19044

At its meeting on 21st May 2018 the Executive approved a proposal to tender for the provision of insurance policies. The report set out the results of the tender process and recommended the award of contracts.

The report had been scrutinised by the Executive, Resources and Contracts PDS Committee at its meeting on 19th March 2019, and the Committee had supported the recommendations. An additional report on the part 2 agenda included confidential details of the tenders received.

RESOLVED that

(1) Contracts for insurance policies be awarded for a period of five years from 1st May 2019 to 30th April 2024 with an option to extend for a further three years.

(2) It is confirmed that the Council should continue not to purchase “Pool re” Terrorism cover on the grounds of excessive cost, as detailed in section 5.7 of the report.

(3) It is noted that authority has been delegated to the Director of Finance to approve the optional three year extension in consultation with the Portfolio Holder for Resources, Commissioning and Contracts Management, Director of Commissioning and Director of Corporate Services.

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

The Chairman of the Executive, Resources and Contracts PDS Committee raised an issue about the new lockable pigeon holes that had been provided for Members. He considered that they would lead to additional printing costs as it would not be possible for substitute Members to collect agenda papers from the pigeon-holes of the Members that they replaced.

A brief conversation then ensued regarding the merits and demerits of the recent changes, with Executive Members whilst noting the Chairman’s concern, concluding that the new arrangements caused no significant inconvenience or problem to Members and should remain as are.

Executive
27 March 2019

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

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

**The following summaries
refer to matters involving exempt information**

135 EXEMPT MINUTES OF THE MEETING HELD ON 13TH FEBRUARY 2019

The exempt minutes of the meeting held on 13th February 2019 were confirmed.

136 CONTRACT AWARD: INSURANCE POLICIES (PART 2)

The Executive awarded contracts for Insurance policies (see minute 132 above).

The Meeting ended at 7.59 pm

Chairman

EXECUTIVE

27th March 2019

Questions and Replies

(A) Questions from members of the Public

**(1) From Mr Michael Hall to the Portfolio Holder for Children, Education & Families
(answered by the Leader of the Council)**

Given that more than 250 new secondary places have been made available at Eden Park High School, how do you explain 13 families from James Dixon Primary School and 8 pupils from schools in Penge being refused preferred schools and being sent out of Borough?

Reply:

Ninety-six per cent of children in Bromley have been offered one of their preferred secondary school places for this September, much higher than the average across London of 92 per cent and higher than the achievements of our neighbouring boroughs. Places are allocated by the Independent Pan-London Admissions Process and in line with the rigorous National Admissions Code.

In any borough there will sadly be a small number of pupils who will have to be directed to a specific school place because their location or situation in relation to their preferred schools means they do not secure one of their preferences. The only way to avoid this would be to create vastly more school places than would be required which is clearly not an option.

It should also be noted that a high number of families from neighbouring boroughs exercise their legal right to select one of Bromley's great schools for their child. This year, around 1,000 school place offers were made to children from outside this borough which puts added pressure on Bromley school places for Bromley residents. In comparison, only half that number of Bromley pupils were offered places for schools outside of the borough. Whilst challenging, it should be remembered this is a consequence of our success in overseeing a family of amazing schools for our young people and we are very proud of the teachers, pupils and governors who have made that the case.

I am acutely aware that does not help you or your situation and can only apologise for that fact.

Supplementary Question:

If Bromley has enough school places, why have thirteen children from the same school been allocated to the same unsafe, inadequate school, as the most recent Ofsted report clearly states, on all levels. Even though we followed all application procedures promptly and correctly, and well within the deadline. We ask that the procedures followed for allocation of secondary school places for us thirteen families from James Dixon, and eight families from schools in Penge, be looked into to ensure that allocation of places has been made correctly and that all procedures have been adhered to and followed without prejudice.

Reply:

The unfortunate situation facing yourself, and it used to be the case in wards more central in Bromley - Plaistow and Sundridge, which I represented at the time, had exactly the same problem - is that there is a black hole for school places at what many residents would describe as the desirable schools for their children. Unfortunately it does mean that if you are in one of those areas then you are subject to direction for your children. On a personal level, as a parent myself, I can only offer you an apology for that. Most local authorities in the country suffer that and it is not without irony that the reason that we have to take out of borough children into Bromley schools thereby denying people like you, as a taxpayer in Bromley, a place in a Bromley school, is the Greenwich Judgement. Of all the Councils in the country that fought for the principle that you are espousing - I am a Bromley ratepayer, I want a place in a Bromley school - Bromley is the Council that, back in the early 1990's * tested this in the High Court. Unfortunately we lost - that was the Greenwich Judgement, that drives legislation before it. Many people would agree, and I would be amongst them, that Bromley residents should be able to place their children into Bromley schools, yet the law of the country goes by circumference from the school, which means that people on the extreme of the borough, or within the borough but a long distance from the school, suffer the relative indignity that you are suffering now.

(Note: On checking after the meeting, the Leader requested that it be noted that the date of the Greenwich Judgement was actually 1989.)*

Additional Supplementary Question:

I understand all that. We have two siblings that go to James Dixon - it is a fantastic school and it has done a really good job with our kids. I'm not saying that it is because they are a Bromley school, but it just seems such a shame that my son will be forced to go to a school which is in Croydon borough and one that has received an abysmal report from Ofsted - the school should be closed down, from what I have been reading online. There has been knife-crime activity in the school and numerous bad things have gone on in that school. We are in a situation where we will not allow our child to go to that school, even if we face legal prosecution, because it is a terrible situation to be in. For thirteen other families to be in the same situation for one school seems a little bit out of the ordinary.

Reply:

That is noted. You have the genuine sympathy of those here.

Additional Supplementary Question from Cllr Angela Wilkins:

One of the key things here is that it is fourteen families from one school in Anerley. The figure of people getting one of their preferred choices is 96%; for this school it is 76%. I understand the background to this and the Greenwich Judgement, and it is particularly hard given the Croydon school being offered.

Given the increasing population, what could be done, and what is being done to try to make sure that we do not get this situation for pupils from James Dixon School in SE19 and SE20 in future years? Can I also make reference to the Budget Monitoring report where it is identified that one of the risks in the Department is shortage of school places.

Reply:

It will not shock you to hear that I will repeat the line that Cllr Fortune has taken on a number of occasions, that there is no projected school place shortage in Bromley. There are plans, in a timely fashion, to make sure that is the case. My personal view of how this could be handled better is that it is currently impacted by the Government's policy around free schools and academies which means that, fundamentally, where schools go is not the function of the Council. The Council cannot decide where schools go. If there was central planning it would be easier to match demand with supply. Unfortunately, that is not in the gift of the local authority. To me, that would be a big step forward. One of the things that may come too late for your children is that there is self-evidently a potential need for an additional school somewhere in the borough. I hope that people will be more inclined to listen to me than has hitherto been the case in this chamber when I suggest that this is the area where we need to plug gaps. That will potentially depend on whether central Government are minded to make money available for an educationalist to develop a school in an available place. Those conversations have happened and are ongoing.

Additional Comments:

Mr Hall commented that at least the future generations had got something to look forward to.

Councillor Simon Fawthrop added that everyone had sympathy with Mr Hall, and reminded him that selective schools were available at the other end of the borough. He encouraged parents to put their children in for the selective schools. He accepted that travelling distance could be an issue, although some children did travel from central London. He also mentioned that there were waiting lists for school places.

Mr Hall stated that he had been under the impression that there were enough school places. He did not want his children to go to a school miles away - they would have to be driven there and he did not want his children to have to get on a bus on their own for their first year of secondary school.

The Leader responded that he loosely understood, but emphasised that he could not be held to the suggestion, that there might still be places available at three schools in the Borough albeit on the periphery - Kemnal, Harris Orpington and Charles Darwin and that he would have that that possibility checked and investigated for Mr Hall as another potential option.

Mr Hall concluded by stating that he had not applied to South Norwood Academy.

(B) Questions from Members of the Council**1. From Cllr Angela Wilkins to the Portfolio Holder for Renewal, Recreation and Housing**

Please provide an update on:

- The status and work programme of the Trust managing Crystal Palace Park.
- Recent or proposed actions of the Council in relation to planning applications for housing developments in the park.

- The Council's negotiations with the Mayor of London/GLA in relation to social and affordable housing in the park.

Reply:

The Trust is currently considering 'hibernating' until the submission of the Outline Planning Application is made and a revised programme for the Regeneration Plan has been agreed.

After extensive review it has been determined that there is no solution for the Park that includes affordable housing at this time. The capital receipts generated would not be sufficient to deliver the works required to create a sustainable future for the Park, including conservation of the heritage assets. Therefore the outline planning application will be submitted this year with the housing developments as determined in 2017.

There have been meetings at officer level and discussions at political level which you have been involved in. The GLA has not said that they will accept no affordable housing, however we are prepared to make the case that the community benefits of delivering the Regeneration Plan outweigh the requirement for affordable housing. The consented Masterplan does not include affordable housing.

Supplementary question:

Cllr Wilkins stated that it was important that this information was in the public domain. She asked whether the Portfolio Holder agreed that there was a real need to push ahead? She understood the problems in the last year with resources and expressed concern with the approach being made to the GLA. The Council had to relate to the other boroughs in the area, and it did not have a good record for providing affordable housing.

Reply:

Before Cllr Morgan responded, the Leader commented that the Council would continue to develop policies for Bromley, as opposed to the design preferences of the Deputy Mayor for Housing, but he did agree that more affordable housing was needed.

The need to press ahead quickly is something that I thoroughly endorse. I have instructed my officers to do exactly that. Now that they have made up their minds that we cannot afford the affordable housing the architects have been instructed to draw up a plan. A planning application will be made as soon as we have something that we are happy with, and I am hoping that will be weeks rather than months. I think you know that the whole Masterplan is promulgated on the idea that we generate money from the sale of these housing sites on the perimeter of the Park which will enable us to create an endowment fund sufficient to maintain the Park to a good standard, better than now, into the future. That is the point of what I said earlier, that if we have too much affordable housing, or indeed my officers think any affordable housing, we simply will not generate the cash that we need to finance the sustainable future of the Park. That is the problem.

On the more general question of social housing, we are acutely aware of this and I think you know that I am very keen to get affordable housing delivered in this borough, particularly to take care of our homeless families, of which we have far too many. It is costing us a fortune. There will be proposals coming forward over the next few weeks for quite a lot of affordable homes and I think that the Deputy Mayor for Housing will be pleased with us, whereas our record over the last few years has not been as good as it ought to be. Now it is going to be very good.

EXECUTIVE

Minutes of the special meeting held on 30 April 2019 starting at 9.00 am

Present:

Councillor Colin Smith (Chairman)
Councillors Graham Arthur, Kate Lymer, Peter Morgan and
Diane Smith

Also Present:

Councillor Gareth Allatt, Councillor Ian Dunn and
Councillor Robert Evans

137 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Peter Fortune and William Huntington-Thresher.

138 DECLARATIONS OF INTEREST

There were no declarations of interest.

139 QUESTIONS

There were no questions.

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

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

**The following summary
refers to matters involving exempt information**

141 DISPOSAL OF Y BLOCKS Report DRR19/044

The Executive considered the bids received for the Y Blocks site and agreed the sale to the preferred purchaser.

The Meeting ended at 9.15 am.

Chairman

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Report No.
CSD19076

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: 21st May 2019

Decision Type: Non-Urgent Executive Non-Key

Title: MATTERS OUTSTANDING FROM PREVIOUS MEETINGS

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

1. Reason for report

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

2. **RECOMMENDATION**

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

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Minutes of previous Executive meetings

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not applicable
-

Corporate Policy

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

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: £358,740
 5. Source of funding: 2019/20 Revenue Budget
-

Personnel

1. Number of staff (current and additional): 8 posts (6.87fte)
 2. If from existing staff resources, number of staff hours: Monitoring the Executive's matters arising takes at most a few hours per meeting.
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

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

Ward Councillor Views

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

<u>Minute Number/Title</u>	<u>Executive Decision/Request</u>	<u>Update</u>	<u>Action by</u>	<u>Completion Date</u>
6th December 2017				
362 Bromley Youth Employment Scheme Project Extension	A further report to Members was requested for the 2 nd or 3 rd quarter of 2018 defining outcomes more clearly so that funding can be considered in the 2019/20 budget.	A further report on the YES project is being prepared for the Portfolio Holder.	Head of Youth Offending and Youth Services	Summer 2019
10th January 2018				
389 Update on Service Proposals and Procurement Strategy for Modular Homes	All Members to be invited to a site visit to see modular homes in a neighbouring borough.	Visits are on hold pending the award of contracts - once contractors have been identified visits will be arranged to relevant sites that they have developed.	Director of Housing	Summer 2019

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Report No.
CSD19077

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: 21 May 2019

Decision Type: Non-Urgent Executive Non-Key

Title: EXECUTIVE APPOINTMENTS

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

1. Reason for report

- 1.1 This report allows the Executive to note appointments made by the Leader of the Council to help with the administration of executive business during 2019/20. Further details will be set out in an appendix which is to follow.
-

2. **RECOMMENDATIONS**

- (1) That the appointment of Councillors to serve on the Executive for the 2019/20 Municipal Year and responsibility for Portfolios, as allocated by the Leader of the Council, be noted.
- (2) That the appointment of Councillors as Executive Assistants by the Leader of the Council for the 2019/20 Municipal Year be noted.
- (3) The appointment by the Leader of the Council of Executive Members to serve on Working Groups and Boards for the 2019/20 Municipal Year be noted.
- (4) Elected Member representation on the Bromley Fostering and Adoption Panel be noted for 2019/20.

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: Estimated Cost: Allowances relating to the posts in this report amount to £187,297pa, excluding allowances for attending Fostering and Adoption Panels.
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Democratic Representation
 4. Total current budget for this head: £1,087,810
 5. Source of funding: 2019/20 Revenue Budget
-

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 2000 – Executive Arrangements
 2. Call-in: 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. COMMENTARY

3.1 The Constitution of the London Borough of Bromley specifies that the Executive should consist of the Leader plus at least two but no more than nine other Members. At the Annual Meeting of the Council held after the last local elections on 16th May 2018, the Leader of the Council is appointed for a four year term of office. In accordance with the constitutional arrangements, the Leader appoints a Deputy Leader and up to five other Members to serve on the Executive for the 2019/20 Municipal Year. It is for the Leader to determine the portfolios, which portfolios are held by Members and their period of office. The Council's portfolios are currently:

- (i) Adult Care and Health
- (ii) Children, Education and Families
- (iii) Environment and Community Services
- (iv) Public Protection and Enforcement
- (v) Renewal, Recreation and Housing
- (vi) Resources, Commissioning and Contract Management

The appointments by the Leader of the Council of Councillors to serve on the Executive will be reported to this meeting (*Recommendation 1*).

3.2 The Constitution also makes provision for non-Executive Councillors to be appointed by the Leader to assist Executive Portfolio Holders carry out their duties. Their role is to assist and advise the Portfolio Holder but they do not have any decision-making powers. However, under the Constitution, they can represent/deputise for the Portfolio Holder in most other circumstances. Executive Assistants may not serve on the PDS Committee which mirrors the Executive Portfolio they support. The position on Councillors appointed to serve as Executive Assistants will be reported at the meeting (*Recommendation 2*).

3.3 In previous years the Leader has appointed a number of Working Groups, Boards and Panels to assist with the executive work of the Council (*Recommendation 3*). These have included -

- Constitution Improvement Working Group;
- Health and Wellbeing Board;

3.4 The Executive is also asked to note the 2019/20 elected member representation on Bromley's Fostering Panel and Adoption Panel (*Recommendation 4*). The Fostering and Adoption Panel is governed by statutory regulations and managed by the Head of the Adoption Agency i.e. the Director of Children's Social Care. The Head of the Adoption Agency appoints members to the Adoption Panel; other members of the Panel include a medical adviser, social workers and independent members.

4. POLICY IMPLICATIONS

4.1 The allocation of Portfolios to Executive Members by the Leader is specified in the Council's Constitution, along with the ability of individual Portfolio Holders to take decisions. The Constitution also provides for the Leader of the Council to appoint Executive Assistants to support Portfolio Holders and to appoint membership of the Executive Working Parties/Panels.

Non-Applicable Sections:	Vulnerable Adults and Children/Financial/Personnel/ Legal/Procurement
Background Documents: (Access via Contact Officer)	Council Constitution

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Report No.
FSD19061

London Borough of Bromley

Agenda
Item No.

PART 1 - PUBLIC

Decision Maker: **Executive
Council**

Date: **21st May 2019
22nd May 2019**

Decision Type: Non-Urgent Executive Key

Title: **PROVISIONAL FINAL ACCOUNTS 2018/19**

Contact Officer: David Bradshaw, Head of Finance
Tel: 020 8313 4807 E-mail: david.bradshaw@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1 This report considers the 2018/19 provisional outturn at portfolio level and Council wide as well as the potential implications for the Council's financial position in 2019/20. The purpose of the report is to give a broad overview of the financial outturn.
 - 1.2 The 2018/19 provisional outturn provides for no variation in general fund balances, subject to the recommendations in this report being agreed.
 - 1.3 More detailed reports will be submitted to individual PDS Committees and the Education, Children and Families Budget and Performance Sub-Committee. Details of the carry forward requests and a summary of the Council's capital programme are also considered in the report.
-

2. **RECOMMENDATION(S)**

2.1 **Executive are requested to:**

- (a) **consider the provisional revenue and capital outturns for the 2018/19 financial year and the earmarked balances on the General Fund as at 31st March 2019;**
- (b) **note that a more detailed analysis of the 2018/19 final outturn will be reported for each Portfolio to the Relevant PDS committees;**
- (c) **consider the variations in 2018/19 impacting on the Council's 2019/20 financial position;**

- (d) consider the comments from Chief Officers as detailed in Appendix 2;**
- (e) approve the requests for carry forwards totalling £906k (net) as detailed in Appendix 6, subject to the funding being allocated to the Central Contingency in 2019/20 to be drawn down on the approval of the relevant Portfolio Holder;**
- (f) agree the release of £291k from the 2018/19 Central Contingency as detailed in para. 3.6.2;**
- (g) note the return to contingency of £138k of additional grant to the 2018/19 Central Contingency as detailed in para 3.6.4;**
- (h) agree the release of £500k from the 2018/19 Central Contingency as detailed in para. 3.6.5;**
- (i) agree the release of (£2,900k) from the 2018/19 Central Contingency as detailed in para. 3.6.6;**
- (j) note the return to contingency of £567k of additional grant to the 2018/19 Central Contingency as detailed in para 3.6.7;**
- (k) agree the release of £873k from the 2018/19 Central Contingency as detailed in para. 3.6.8;**
- (k) agree the release of £89k from the 2018/19 Central Contingency as detailed in para. 3.6.9;**
- (l) recommend to Council that a sum of £3,409k be set aside as a contribution to the Housing Invest to Save Fund earmarked reserve as detailed in para. 3.7.2;**
- (m) agree to set aside a sum of £130k as a contribution to the YES Project Reserve as detailed in para. 3.7.3;**
- (n) agree to set aside a sum of £76k as a contribution to the Day Centre Rent Relief Reserve as detailed in para. 3.7.4;**
- (o) agree a contribution of £900k subject to (q) below being agreed by Council as detailed in para. 3.7.2;**
- (p) agree that any variations in the Business Rate Pool distribution be allocated to the Business Rate Risk Reserve as detailed in para. 3.10;**

2.2 Council are requested to:

- (q) agree that a sum of £3,409k be set aside as a contribution to the Housing Invest to Save Fund reserve as detailed in para. 3.7.2.**

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: £206.3m
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
-

Staff

1. Number of staff (current and additional): 2,038 (per 2018/19 Budget) which includes 504 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 2018/19 budget reflects the financial impact of the Council's strategies and service plans 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 Provisional Final Outturn 2018/19`

3.1.1 The Resources Portfolio Plan included the target that each service department would spend within its own budget. A summary of the overall budget and the provisional outturn for 2018/19 is shown in the table below.

3.1.2 The 2018/19 provisional outturn shows no overall net movement in general fund balances, subject to approval of the contributions to earmarked reserves, as detailed in section 4.1.

Provisional Outturn on Services & Central Items	2018/19 Original Budget £'000	2018/19 Latest Budget £'000	2018/19 Provisional Outturn £'000	2018/19 Variation £'000
Care Services	67,346	67,062	67,014	Cr 48
Education, Children & Families	40,189	40,611	43,803	3,192
Environment	30,546	29,847	28,492	Cr 1,355
Public Protection & Safety	2,424	2,483	2,237	Cr 246
Renewal & Recreation	13,970	17,036	17,115	79
Resources	46,797	47,769	45,957	Cr 1,812
Total Controllable Budgets	201,272	204,808	204,618	Cr 190
Capital Charges, Insurance and Pension Costs	12,056	13,363	13,363	0
Non General Fund Recharges	Cr 759	Cr 762	Cr 762	0
Total Portfolio Budgets	212,569	217,409	217,219	Cr 190
Adj. for Carry Forwards from 2018/19 to 2019/20	0	0	906	906
Capital, Insurance & Pension a/c Requirements	Cr 10,646	Cr 11,950	Cr 11,895	55
Total Portfolio Budgets (adj. for carry forwards and accounting requirements)	201,923	205,459	206,230	771
Income from Investment Properties	Cr 9,973	Cr 10,138	Cr 9,898	240
Interest on General Fund Balances	Cr 3,491	Cr 3,491	Cr 4,951	Cr 1,460
Total Investment Income	Cr 13,464	Cr 13,629	Cr 14,849	Cr 1,220
Contingency Provision (see Appendix 4)	14,278	3,774	0	Cr 3,774
Other Central Items	1,216	12,916	20,558	7,642
	15,494	16,690	20,558	3,868
Subject to Approval				
- Contribution to YES funding	0	0	130	130
- Day Centre Rent Relief	0	0	76	76
- Housing Invest to Save	0	0	3,409	3,409
	0	0	3,615	3,615
Total Variation on Services and Central Items	203,953	208,520	215,554	7,034
Prior Year Adjustments	0	0	Cr 1,777	Cr 1,777
Total Variation	203,953	208,520	213,777	5,257
Carry forwards from 2018/19 to 2019/20	0	0	Cr 906	Cr 906
Net Variation (after allowing for carry forwards)	203,953	208,520	212,871	4,351

3.2 Portfolio Budgets

3.2.1 A detailed breakdown of the Latest Approved Budgets and Provisional Final Outturn across each Portfolio, together with an analysis of variations, is shown in Appendix 3.

3.2.2 Chief Officer comments are included in Appendix 2.

3.3 Carry Forward Requests

- 3.3.1 After allowing for government grant funding, a net sum of £906k is requested to be carried forward into 2019/20.
- 3.3.2 This includes significant grant funded requests of £3,967k for Improved Better Care Fund and £1,779k for Public Health as detailed below. As in previous years it is proposed that the carry forwards are allocated to the 2019/20 Central Contingency Sum to be drawn down on the approval of the relevant Portfolio Holder.
- 3.3.3 Full details of the carry forward requests are set out in Appendix 6.
- 3.3.4 Improved Better Care Fund (IBCF)

The IBCF is a partially time limited grant to local authorities for spending on adult social care that was announced in the spring budget in March 2017. The grant may only be used for the purposes of meeting adult social care needs, reducing pressures on the NHS including supporting more people to be discharged from hospital when they are ready and ensuring that the local social care provider market is supported.

Following approval at the Executive on 10th October 2017, IBCF funding was released from the central contingency and allocated to the ECHS budget. The grant for 2018/19 was £5.376m. Not all projects have progressed as far as initially anticipated and this has led to an underspend totalling £3.967m in 2018/19. It is requested that Members agree the carry forward of this amount into 2018/19. In line with the report to the Executive, underspends can be carried forward to support expenditure in future years and spending commitments are in place. The carry forward includes commitments to balance Adult Social Care growth pressures in 2019/20.

3.3.5 Public Health

The grant for Public Health was £14.708m in 2018/19 which was a reduction from the previous financial year. The grant conditions require quarterly financial reporting to the Department of Health against a set of standardised budget reporting lines and the expenditure must be explicitly linked to the Health and Wellbeing Strategy, Public Health Outcomes Framework and the Joint Strategic Needs Assessment. There is also a statement of assurance that needs to be completed and signed off by the Chief Executive and Director of Public Health at year end.

Public health have had underspends in each of the last five years. These were £141k in 2014/15, £152k in 2015/16 and £330k in 2016/17 and £395k in 2017/18. This total balance of £1,018k was carried forward to 2018/19 to fund public health initiatives as per the terms of the grant, however it was not required. There was an underspend of £761k in 2018/19 and it is requested that the cumulative balance of £1,779k is carried forward to fund public health initiatives that may be required in 2019/20 and future years.

Any monies not utilised can be carried over as part of a Public Health Reserve into the next financial year. In utilising those funds the following year the grant conditions will still need to be complied with.

3.4 Interest on Balances

- 3.4.1 Despite the increase in the Bank of England base rate from 0.25% to 0.50% in November 2017 and then to 0.75% in August 2018, there has been relatively little impact on interest income from lending to banks and other counterparties. This is partly due to banks having the ability to borrow from the Bank of England at very low rates through its Term

Funding Scheme, the strengthening of ‘balance sheets’ reducing the need to borrow as well as the fact that expected increases in the base rate had already been ‘priced in’

- 3.4.2 In addition, the utilisation of the Investment Fund and Growth Fund as well as the Highways Investment Scheme has reduced the resources available for treasury management investment. However, the treasury management strategy was revised in December 2017 to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks. As a result, additional income of £600k was included in the 2018/19 budget.
- 3.4.3 In the last budget monitoring report to Executive, it was estimated that the 2018/19 outturn for interest earnings would be around £500k above budget which included an assumption of interest earnings of 2.5% for pooled funds with any excess above this being set aside in an Income Equalisation Reserve to cover any future capital loss (see below).
- 3.4.4 The provisional outturn is £1,460k above budget (final outturn of £4,951k) with £1,509k set aside in the Income Equalisation Reserve. The increase is mainly due to the sale of the two Diversified Growth Funds generating net income of £546k (gross income of £748k offset by a 27% contribution to the parallel fund of £202k) and higher than anticipated balances available for investment.
- 3.4.5 Balances available for investment are anticipated to decrease in 2019/20 as a result of the utilisation of capital receipts and earmarked revenue reserves and the internal lending for the Site G development will have an impact on investment income until the future capital receipts are realised. A decrease of £200k has been included in the draft 2019/20 budget to reflect this.

3.5 Income from Investment Properties

- 3.5.1 There is a total deficit of £240k in 2018/19 for income from Investment Properties as summarised in the table below:

Summary of Variations	£'000
Shortfall of Income from Investment Fund Properties	258
Shortfall of Income from The Glades Shopping Centre	147
Shortfall of Income from Walnuts Shopping Centre	68
Extra Income from Biggin Hill Airport	Cr 210
Net Surplus Income from Other Investment Properties	Cr 23
	240

- 3.5.2 In 2018/19 the Council’s investment approach has generated net revenue income of £14.9m from investment properties (£9.9m) and treasury management (£5m). Without this income, equivalent service reductions would have been required. The diverse range of investments enables more income to be achieved whilst mitigating the Council’s exposure to risk.

3.6 Central Contingency Sum

- 3.6.1 The 2018/19 Central Contingency contained various provisions which reflected uncertainty around potential costs, grants and service pressures. There is a total net variation of £3.8m relating to provisions that were not required in the 2018/19 financial year. Further details of the allocations from, and variations in, the 2018/19 Central Contingency are included in Appendix 4.

- 3.6.2 Executive are requested to agree the drawdown a sum of £291k for Tackling Troubled Families (TTF) grant to contribute to the cost of the Multi Agency Safeguarding Hub (MASH) team in Children's Social Care to support the work of the TTF programme for 2018/19. The remaining £511k for the year is being requested to be carried forward to continue the work in 2019/20.
- 3.6.3 A report will come back to the Executive in July to request drawdown and outline the 2019/20 proposals. The report will also give details of the 2018/29 activity and expenditure
- 3.6.4 Additional In year grant funding of £138k has been returned to the central contingency from the Revenues and Benefits division. This includes grants from the DWP and the GLA
- 3.6.5 The implications of universal credit has previously been reported in the Welfare Reform Member seminars held on 2nd July 2018 and 14th January 2019. this includes the constraints relating to the recovery of Housing benefit overpayments, including claimant error overpayments. Executive are requested to release the sum of £500k set aside in the 2018/19 Central contingency sum as a provision for potential non recovery of debts.
- 3.6.6 Executive agreed to join the London Business Rate Pool in 2018/19 which was a pilot scheme. The scheme provided the full (100%) devolution of business rates with the growth shared across London boroughs and the GLA. Net income of £2.9m was assumed for Bromley as part of the 2018/19 budget and this is requested to be drawn down from the contingency. Paragraph 3.10 gives further details.
- 3.6.7 £567k of funding set aside for the National Living Wage in Adult Social Care in 2018/19 has been returned to the contingency. This is no longer required as increases in fees in Adult Social Care placements have been lower than anticipated during the financial year.
- 3.6.8 The Council received £8,547k of IBCF funding in 2018/19, £873k of this was not allocated to specific projects at the beginning of the financial year. All funding has now been allocated as therefore the Executive are requested to approve the allocation of £873k from contingency
- 3.6.9 An additional grant has recently been given to Bromley in regard to Homelessness Prevention totalling £89k. The additional grant which has been given to reflect the latest HMCLG visits. The funding has been provided to assist in preventing and relieving homelessness for young people. New initiatives will be identified through the work with the HMCLG specialist adviser. The Executive are requested to agree to drawdown the sum of £89k for this purpose.
- 3.6.10 As shown elsewhere in this report, it is proposed that the overall underspends remaining, including those in the Central Contingency, will be utilised to provide one-off funding for a Housing Invest to Save Fund, Contribution to the YES Project and provide Day Centre Rent relief.

3.7 Contribution to support future years funding

- 3.7.1 The Council Tax report 2019/20 to Executive on 13th February 2019 identified a budget gap of £15.5m in 2020/21 rising to £31.7m per annum by 2022/23. It is therefore essential that the use of any underspends/additional income identified is considered towards providing sustainable income for the future and/or providing transitional financial support in addressing the future years' budget gap. The proposed use of the additional income/underspends is shown below.

3.7.2 Housing Invest to Save Fund

The most significant growth/cost pressure facing the Council relates to the cost of homelessness and there will be investment choices identified through the Council's Transformation programme to reduce homelessness costs. With a combination of additional income, underspends and unspent monies within the 2018/19 Central Contingency Sum it is proposed that a sum of £3,409k is set aside as an earmarked reserve to contribute towards the significant future housing investment required. The utilisation of this funding would be reported to a future meeting of the Executive as part of the Transformation proposals.

The gateway report for the provision of housing supply in Anerley and Chislehurst elsewhere on the agenda requests that the sum of £7.5m be allocated from the Housing Investment Fund earmarked reserve, and the £0.9m balance will be identified in this report. It is proposed that this balance be funded from the Housing Invest to Save earmarked reserve.

3.7.3 YES Project

On 6th December 2017 Executive approved £138k to continue the project for the 2018/2019 financial year. Bromley Education Business Partnership (BEBP) is funded by the local authority and has been successfully delivering the Youth Employment Scheme to help support the generation of employment opportunities and tackle local youth unemployment since 2014. The team is based at Masons Hill co-located with Youth Support Services and Youth Offending and with one Head of Service and now sits within Children's Social Care. Executive are requested to agree that £130k be put into a YES project reserve to fund the scheme for a further year

3.7.4 Day Centre Rent Relief

The Council are finalising the 'Strategy for the Older Person'. The Executive are asked to agree a further period of short term assistance to the Day centres for costs of rent for 2019/20 whilst this is being undertaken. The funding is £76k in total and relates to Bertha James, Saxon Centre, Rachel Notley and Biggin Hill day centres. This will set aside in an earmarked reserve.

3.8 Earmarked Reserves

- 3.8.1 As reported to the Executive previously, the Council has reduced its level of general reserves (general fund reserves in 1997 were £131 million). Background on the Council's approach to reserves in managing risk and uncertainty, as well as addressing the future years budget gap, were included in Appendix 4 of the 2019/20 Council Tax report to Executive on 13th February 2019.
- 3.8.2 A summary of the actual balances held in earmarked reserves as at 31st March 2019 is provided in Appendix 7. Details relating to the balances held by schools are set out in Appendix 9 and a summary of the Invest to Save Fund is provided in Appendix 10.
- 3.8.3 Full details of the current position on the Growth and Investment Fund are included in the Capital Programme Outturn 2018/19 report elsewhere on the agenda.

3.9 Prior Year Adjustments resulting in a Net Credit Provision of £1,777k

- 3.9.1 There are variations totalling £1.077k relating to the write-back of credit balances on NNDR and council tax relating to the period 2008/09 to 2012/13.

- 3.9.2 Financial provisions were made in prior years accounts for Learning Disability and Mental Health services, and an element of these are no longer required and have therefore been released in 2018/19 resulting in a credit of £628k.
- 3.9.3 On the 12th September 2018 a report came to the Executive in regard to a new Social Care Management System. The decision was made to progress with a replacement of the current system and therefore cease any further developments of the current social care IT system. Costs have been incurred in the development of the old system and charged to Capital prior to the decision by the Executive.
- 3.9.4 In terms of capital costs being incurred and in line with standard accounting practice, costs that do not result in a capital scheme being progressed are required to be charged to revenue budgets. A total of £772k has been charged for the Children Social Care IT system which has ceased and therefore capital costs arising from this project need to be written back to Revenue. £500k was funded by a RCCO (revenue contribution to capital outlay) which will offset this charge. Therefore a total net charge of £272k will be written back to revenue.
- 3.9.5 A credit of £102k relates to backdated Council Tax benefit adjustments which, under the Council Tax Support Scheme, do not result in a corresponding reduction in subsidy income.
- 3.9.6 Following the sale of the Old Town Hall a provision of £242k set aside in previous years for dilapidations, was no longer needed and has therefore been released.

3.10 Business Rate Pool

- 3.10.1 Executive agreed to join the London Business Rate Pool in 2018/19 which was a pilot scheme. The scheme provided the full (100%) devolution of business rates with the growth shared across London boroughs and the GLA. Net income of £2.9m was assumed for Bromley as part of the 2018/19 budget.
- 3.10.2 Based on provisional pool outturn figures, using information from the submission of NNDR2 returns by all London boroughs, Bromley is expected to receive £5.1m. Overall, a net £95m more business rates than anticipated were collected in London, a 1% change to business rate income. The variation in pooling benefit is mainly caused by £31m additional retained business rates income (being the difference between London retaining 67% and 100% of the £95m favourable variance) and £27m additional levy savings as a result of not being required to pay a levy on extra rates collected.
- 3.10.3 The City of London, being the Lead Authority, and the GLA requested a copy of final year end NNDR3 returns to be submitted by 30th April 2019 to allow the figures to be updated. Indications are that the pool, and / or external auditors may require the 2018/19 accounts to be updated to reflect any changes between these and the draft (NNDR2) figures although it is acknowledged that these are unlikely to be material. Should this be the case, Members are requested to agree that any variation be accounted for via the Business Rate Risk Reserve to ensure that the audited accounts are able to be produced by the statutory deadline of 31st July 2019. Any such variation would then be allocated and reported as part of the first budget monitoring report in 2019/20. There may also be further variations arising from the audit of NNDR3 returns, due to be submitted to MHCLG by 31st July 2019 which, once finalised, may require a further reconciling cash payment in 2019/20.

3.10.4 The Government has agreed to allow the continuation of the pilot for 2019/20 but reflecting a reduced share (75%) of business rates. The 2019/20 budget includes estimated income of £2.2m to reflect a combination of the growth in the previous year but partly offset by the reduced share of business rate growth (100% reduced to 75%).

3.11 Collection Fund and New Homes Bonus from previous years

3.11.1 The 2018/19 budget included the use of non-recurring Collection Fund surplus (£5,642k) and previous years New Homes Bonus (£2,256k), set aside in earmarked reserves, towards balancing the budget.

3.11.2 The outcome of the 2018/19 provisional outturn results in this funding not being required for 2018/19. The financial outturn assumes that these monies will not be released in 2018/19 and therefore can continue to be set aside to support future years budgets.

4. GENERAL FUND BALANCE

4.1 Subject to approval of the proposals detailed in this report, and taking account of the provisional final outturn on Portfolio budgets and Central Items, there will be no variation to the level of general reserves as at 31st March 2019 as detailed below:

	2018/19 Provisional Outturn £'000
General Fund Balance as at 1st April 2018	Cr 20,000
Net Variations on Services & Central Items (para 3.1)	4,351
Variations in Business Rates Retention Scheme and General Government Grants	Cr 5,810
	Cr 21,459
Adjustments to Balances:	
Carry Forwards (funded from underspends in 2017/18)	1,459
General Fund Balance as at 31st March 2019	Cr 20,000

5. IMPACT ON FUTURE YEARS

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:

	2018/19 Budget £'000	2019/20 Impact £'000
Care Services Portfolio		
Assessment & Care Management - Care Placements	20,735	619
Better Care Funding - Protection of Social Care	0	Cr 492
Learning Disabilities - Care Placements & Care Management	33,708	1,113
Mental Health - Care Placements	6,169	331
		1,571
Education, Children and Families Portfolio		
Children's Social Care	34,836	3,556
Adult Education	Cr 520	130
		3,686
Renewal, Recreation and Housing		
Supporting People	1,013	Cr 94
Housing Needs	8,733	521
		427
Resources, Commissioning and Contracts Mgt Portfolio		
Legal Services - Legal/Counsel Fees & Court Costs	389	70
TOTAL		5,754

- 5.2 The majority of the full year impact has been reflected in the 2019/20 budget. However the most significant area not fully reflected in the 2019/20 budget is Children's Social Care where there has been a recent increase in Children Looked After (CLA). The full year impact not reflected is £1.5m. However, additional health funding of £900k in 2019/20 has been provided to mitigate the full year impact in 2019/20. Further management action will also need to be taken to reduce these cost pressures.
- 5.3 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.
- 5.4 Further details, including any full year impact already reflected in the 2019/20 Budget as well as action to be taken to contain future cost pressures, are included in Appendix 5.

6. CONTINGENT LIABILITIES AND PROVISIONS

- 6.1 Details of contingent liabilities and provisions will be included in the draft statement of accounts which will be available for audit at the end of May (see 13.1).

7. CAPITAL EXPENDITURE AND RECEIPTS

7.1 Capital Expenditure

- 7.1.1 The final capital outturn for the year was £30.9m, compared with the final approved budget of £37.8m agreed in February 2019.
- 7.1.2 At that time, further slippage of £5m was assumed for capital financing purposes so the overall variation in the capital financing requirement (capital receipts, government grants, other external contributions and revenue contributions) is £1.9m, the majority of which was due to slippage of expenditure into later years.

7.2 Capital Receipts

- 7.2.1 Under the “prudential” capital system in operation from 1st April 2004, most capital receipts are “useable” and may be applied to finance capital expenditure. Available capital receipts totalled £38.2m, including an unapplied balance of £25.7m brought forward from 2017/18. A total of £8.9m was applied in 2018/19 and a balance of £29.3m has been carried forward to finance capital expenditure in future years. No capital contribution from the General Fund was required in 2018/19. Further details are included in the capital outturn report elsewhere on this agenda.

8 SECTION 106

- 8.1 An update on balances as at 31st March 2019 is included in Appendix 8 of this report. Further details on the arrangements for utilising Section 106 monies will be reported to the Executive and Resources PDS Committee in July 2019.

9 THE SCHOOLS BUDGET

- 9.1 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.
- 9.2 There is a total in-year underspend of £1,481k on DSG funded services, with a total to carry forward to 2019/20 of £2,495k. Subject to approval, surplus funds may be given to schools as a one off payment, carried forward centrally to offset any future unknown pressures, or a combination of the two. Further details of the in-year variation and plans for spending some of the amount carried forward are provided in Appendix 9.

10 ACADEMIES

- 10.1 During the 2018/19 financial year 2 schools have converted to academy status.
- 10.2 The impact of these arrangements is that when schools convert to academy status their balances are removed from the accounts as the schools are autonomous and no longer under the Council’s control and therefore have their own financial arrangements in place. This generally results in a reduction in maintained balances. During 2018/19 total balances have reduced from £1,931k to £1,757k.
- 10.3 Further details of schools’ balances are provided in Appendix 9.

11 COLLECTION FUND

- 11.1 It is a statutory requirement to maintain a Collection Fund at arm’s length from the remainder of the Council’s accounts. The Fund is credited with income from Council Tax and Business Rates and charged with sums payable to the Council, GLA and Central Government.
- 11.2 There is a Council Tax surplus on the fund in 2018/19 of £7.4m. The surplus income is mainly due to good debt recovery levels despite the previous recessionary period, an increase in new properties in the borough and the successful impact of action following the data matching exercise on single person discounts. The financial impact of the council tax support scheme was also lower than budgeted. A one-off sum of £1.5m will be allocated to the GLA and £5.9m to the Council in 2020/21.
- 11.3 There is an overall deficit of £1.2m relating to the collection and distribution of Non Domestic Rates under the Business Rates Retention Scheme. This is mainly due to

downward revaluations of properties during the year and an increase in the provision for outstanding appeals based on information from the Valuation Office Agency. This highlights the challenges of predicting accurate levels of retained business rates under the scheme and the volatility of projections arising from successful appeals. Of the 2018/19 deficit, £0.4m will be allocated to the GLA and £0.8m to Bromley. In accordance with statutory provisions, this will be distributed in 2019/20 & 2020/21.

- 11.4 The volatility arising from the level of downward revaluations and outstanding appeals provides a significant challenge in accurately forecasting the level of business rates income that the Council can retain and there may well be further volatility during 2019/20 and in future years.
- 11.5 A further complexity arises from the timing of income with a requirement for business rates to be accounted for through the Collection Fund. This means that in-year surpluses or deficits are distributed in either of the following two years, depending on when they are provisionally estimated, with any resulting variations from those provisional estimates being adjusted in the subsequent year.
- 11.6 In addition, funding provided by way of Section 31 grant to compensate authorities for reduced rating income associated with various business rate measures and relief schemes is allocated directly to the general fund in the year it is due. This can result in the Collection Fund having an in-year surplus or deficit, which will impact on the general fund in a future year, whilst the general fund has an in-year variation relating to the receipt of these grants.
- 11.7 The overall impact in 2018/19 is a deficit of £1.2m on the collection fund, as detailed in para. 11.3, and a net credit variation in the Council's general fund of £3.2m, mainly relating to Section 31 grant income.

12 FINANCIAL CONTEXT

- 12.1 The 2019/20 Council Tax report to Executive on 13th February 2019 identified the latest financial projections and a future year budget gap of £31.7m per annum by 2022/23. This is mainly due to the impact of inflation, service and cost pressures and ongoing significant reductions in government funding.
- 12.2 The Council has adopted a prudent approach in setting the revenue budget and to date has delivered budget savings of £97m since austerity began. This was mainly required due to the significant level of government funding reductions facing the Council despite service cost pressures remaining. This prudent approach and robust financial management has provided an opportunity to release resources to help deliver a more sustainable budget in the future.
- 12.3 An example of this relates to the acquisition of investment properties and contributions to the growth fund.
- 12.4 Overall the Council is expected to receive income of £15.4m from properties and treasury management which highlights the benefits of this approach which has helped to provide a more sustainable financial position in the longer term.
- 12.5 The Council faces a significant budget gap over the next four years, particularly as Government funding reductions continue in order to fund other public services e.g. NHS. Providing opportunities to release monies for investment therefore remains important to achieve a more sustainable budget.

- 12.6 There are reports elsewhere on the agenda relating to housing proposals which require considerable investment from the Council in order to achieve significant savings to partly mitigate against the cost pressures. On the basis that one of the most significant cost pressures facing the Council relates to homelessness costs and that significant savings could be delivered through investment in accommodation for homeless families. In this report includes proposals that an additional sum of £3.4m is set aside as part of a Housing Invest to Save Fund. These monies can be used to contribute towards investment in housing to deliver savings on the council's future revenue budget.
- 12.7 Part of the savings/additional income reflected the in provisional 2018/19 outturn have already been reflected in the 2019/20 budget. Although a prudent approach in considering the 2019/20 Central Contingency sum remains the four year financial forecast reported to Executive in February 2019, as part of setting the 2019/20 Council Tax, assumes reductions of £8m by 2021/22. The Council's four year financial forecast will be updated in due course to reflect the impact of the provisional 2018/19 outturn.

13 STATUTORY ACCOUNTS

- 13.1 The audited statutory accounts for 2018/19 will be reported to the General Purposes and Licensing Committee on 25th July 2019 which meets the statutory deadline of 31st July 2019 for approval and publication of the accounts under the Accounts & Audit Regulations 2015.

14 IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 14.1 The 2018/19 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.

15 POLICY IMPLICATIONS

- 15.1 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to ensure good strategic financial management and robust discipline to deliver within our budgets.
- 15.2 The "2018/19 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2019/20 to minimise the risk of compounding financial pressures in future years.
- 15.3 Chief Officer's comments are included in Appendix 2.

16 FINANCIAL IMPLICATIONS

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

Non-Applicable Sections:	Legal, Personnel
Background Documents: (Access via Contact Officer)	2019/20 Council Tax – Executive 13 th February 2019; 2018/19 Council Tax – Executive 7 th February 2018; Draft 2018/19 Budget and Update on Council's Financial strategy 2019/20 to 2021/22 -

	<p>Executive 10th January 2018; Budget Monitoring Reports in 2018/19 – Executive; Financial Management Budget Monitoring files across all Portfolios; Provisional Final Accounts 2017/18 - Executive 21st May 2018; Treasury Management Annual Investment Strategy 2019/20 – Council 25th February 2019; Treasury Management Quarterly Performance reports – Executive and Resources PDS Committee; Capital Programme Outturn 2018/19 (elsewhere on the agenda).</p>
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GENERAL FUND - PROVISIONAL OUTTURN FOR 2018/19

Portfolio	2018/19	Budget	2018/19	2018/19			Variation
	Original Budget	Variations allocated in year #	Final Approved Budget	Provisional Final Outturn	Variation		previously reported Exec 27/03/19
	£'000	£'000	£'000	£'000	£'000		£'000
Adult Care & Health	67,346	Cr 284	67,062	67,014	Cr 48	Cr	13
Education, Children & Families (incl. Schools' Budget)	40,189	422	40,611	43,803	3,192		2,997
Environment Community Services	30,546	Cr 699	29,847	28,492	Cr 1,355	Cr	689
Public Protection & Enforcement	2,424	59	2,483	2,237	Cr 246	Cr	219
Renewal, Recreation & Housing	13,970	3,066	17,036	17,115	79		64
Resources, Commissioning & Contracts Management	46,797	972	47,769	45,957	Cr 1,812	Cr	1,492
Total Controllable Budgets	201,272	3,536	204,808	204,618	Cr 190		648
Capital, Insurance & Pensions Costs (see note 2)	12,056	1,307	13,363	13,363	0		0
Non General Fund Recharges	Cr 759	Cr 3	Cr 762	Cr 762	0		0
Total Portfolios (see note 1)	212,569	4,840	217,409	217,219	Cr 190		648
Adj for Carry Forwards from 2018/19 to 2019/20	0	0	0	906	906		0
Reversal of net Capital Charges (see note 2)	Cr 10,646	Cr 1,304	Cr 11,950	Cr 11,895	55		0
	201,923	3,536	205,459	206,230	771		648
Central Items:							
Income from Investment Properties	Cr 9,973	Cr 165	Cr 10,138	Cr 9,898	240		279
Interest on General Fund Balances	Cr 3,491	0	Cr 3,491	Cr 4,951	Cr 1,460	Cr	500
Total Investment Income	Cr 13,464	Cr 165	Cr 13,629	Cr 14,849	Cr 1,220	Cr	221
Contingency Provision (see Appendix 4)	14,278	Cr 10,504	3,774	0	Cr 3,774	Cr	826
Other central items							
New Homes Bonus Support for Revenue	Cr 2,256	0	Cr 2,256	0	2,256		0
Utilisation/Set Aside of prior Year Collection Fund Surplus	2,210	0	2,210	7,852	5,642		0
Contribution to Technology Fund - IT Strategy	0	3,500	3,500	3,254	Cr 246	Cr	246
Contribution to Housing Investment Fund	0	7,500	7,500	7,500	0		0
Contribution to Civic Centre Improvement Works	0	200	200	200	0		0
Contribution to Transformation Fund	0	500	500	500	0		0
LRB Receipts	0	0	0	Cr 10	Cr 10		0
Levies	1,262	0	1,262	1,262	0		0
Total other central items	1,216	11,700	12,916	20,558	7,642	Cr	246
Carry Forwards from 2018/19 to 2019/20	0	0	0	Cr 906	Cr 906		0
Prior Year Adjustments							
Care placements provision	0	0	0	Cr 628	Cr 628	Cr	628
Write back of IT costs back to revenue	0	0	0	772	772		746
RCCO charge back to revenue	0	0	0	Cr 500	Cr 500	Cr	500
NNDR and Council Tax Credits	0	0	0	Cr 1,077	Cr 1,077		0
Council Tax Benefit Adjustments	0	0	0	Cr 102	Cr 102		0
Bromley Old Town Hall Dilap Fund	0	0	0	Cr 242	Cr 242		0
Total Prior Year Adjustments	0	0	0	Cr 1,777	Cr 1,777	Cr	382
Subject to approval at Executive 21 May 2019							
Contribution to YES funding for 2019/20	0	0	0	130	130		0
Day Centre rent relief	0	0	0	76	76		0
Housing invest to save	0	0	0	3,409	3,409		0
	0	0	0	3,615	3,615		0
Total all central items	2,030	1,031	3,061	6,641	3,580	Cr	1,675
Bromley's Requirement before balances	203,953	4,567	208,520	212,871	4,351	Cr	1,027
Carry Forwards from 2017/18 (see note 3)	0	Cr 1,296	Cr 1,296	0	1,296		1,296
Carry Forward from 2017/18 (R&M)	0	Cr 163	Cr 163	0	163		163
Adjustment to Balances	0	0	0	0	0		1,068
	203,953	3,108	207,061	212,871	5,810		1,500
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 41,960	0	Cr 41,960	Cr 45,120	Cr 3,160	Cr	1,500
London Pilot Business Rate Pool	0	Cr 2,900	Cr 2,900	Cr 5,087	Cr 2,187		0
Redistribution of Business Rates	0	0	0	Cr 581	Cr 581		0
New Homes Bonus	Cr 3,534	0	Cr 3,534	Cr 3,534	0		0
New Homes Bonus Topslice	0	Cr 208	Cr 208	Cr 90	118		0
Collection Fund Surplus	Cr 7,852	0	Cr 7,852	Cr 7,852	0		0
Bromley's Requirement	150,607	0	150,607	150,607	0		0
GLA Precept	38,251	0	38,251	38,251	0		0

Council Tax Requirement	188,858	0	188,858	188,858	0	0
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# Budget Variations allocated to portfolios in year consists of:	£'000	
1) Carry forwards from 2017/18	1,459	(see note 3)
2) Capital, Insurance & Pension Accounting Requirements	1,304	(see note 2)
3) Allocations from the central contingency provision	2,077	(see Appendix 4)
	<u>4,840</u>	

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2018/19 Original Budget £'000	Budget Variations allocated in year # £'000	2018/19 Final Approved Budget £'000	2018/19 Provisional Final Outturn £'000	Variation £'000	Variation previously reported 27/03/19 £'000
Education Care & Health Services	129,664	8,037	137,701	141,158	3,457	3,178
Environment & Community Services	57,257	Cr 2,092	55,165	52,949	Cr 2,216	Cr 1,268
Chief Executive's Department	25,648	Cr 1,105	24,543	23,112	Cr 1,431	Cr 1,262
	<u>212,569</u>	<u>4,840</u>	<u>217,409</u>	<u>217,219</u>	<u>Cr 190</u>	<u>648</u>

2) Reversal of net Capital Charges

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

3) Carry Forwards from 2017/18

Carry forwards from 2017/18 into 2018/19 totalling £1,459k were approved by Council and the Executive. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2017/18" report.

Comments from the Executive Director of Environment and Community Services

(Environment Community Services Portfolio)

The Environment & Community Portfolio has a net underspend of £1,355k for 2018/19. This was mainly from two areas - Waste (£619k) and Highways (£346k) . Other net variances across the Portfolio total Cr £390k.

The variances in waste are for waste disposal costs, green garden waste service, defaults and recycling material income. Waste tonnages are unpredictable and therefore the variances may not continue in future years. It is also not clear what impact the new waste contract will have. Executive are requested to approve a carry forward sum of £120k that was previously set aside for developing a direct debit system for green garden waste, to enable the work to be carried out during 2019/20.

Following the mild winter and lack of snowfall, there was an underspend on the winter service budget in Highways. There was also additional income received mainly due a spike in the volume of Section 74 Notices.

Other variances across the Portfolio mainly include staff vacancies, various one-off additional income and a reduction in Cleansing costs due to the dry summer.

(Public Protection and Enforcement Portfolio)

There was a net underspend of £246k for Public Protection and Enforcement Portfolio for 2018/19 mostly from staff vacancies. Due to a delay in recruitment, a request will be submitted to the Executive to carry forward £163k to 2019/20 and 2020/21 to fund the remaining agreed term for the three additional temporary Food Safety Officers.

(Renewal, Recreation and Housing Portfolio - ECS Department)

The Renewal, Recreation & Housing Portfolio (ECS dept) has a net underspend of £234k for 2018/19. £117k of this relates to underspends on projects funded from the New Homes Bonus monies, which will need to be carried forward subject to formal approval by the Executive and the GLA. The remaining underspend of £117k is mainly due to staff vacancies.

(Resources, Commissioning & Contract Management Portfolio - ECS Department)

Total Facilities Management has a net underspend of £381k for 2018/19. This is mostly due to underspends on the printer contract, the sale of Exchequer House, staff vacancies and utility costs. This has been partly offset by additional costs relating to vacant investment properties, such as 54 Market Square, following the vacation of Argos.

Analysis of Risks

– Environment & Community Portfolio

The new environment contracts have been awarded recently which will take effect from 1 April 2019. In particular, the Street Environment Contracts have experienced an overall increase in service costs based on an as-is service delivery model. The procurement of the new waste disposal contract has been successful in mitigating the increase in growth pressure through the use of alternative disposal solutions.

Any growth in the number of properties will incur additional expenditure, as extra collections are required and additional waste is generated. Another potential risk area is recycling paper income. Wet weather could affect the quality of the paper and therefore may lead to issues arising 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 streetworks 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 Trees budget, due to the unpredictable nature of storm damage this is a potential risk area. The actual impact is dependent on the weather and the number of trees affected.

– Public Protection & Enforcement Portfolio

Any high profile inquests or significant increase in volume of cases could increase the cost of the Coroner's service.

The provision of a sustainable mortuary service at an affordable cost in the long term is problematic due to variables in demand and a very limited market with little competition.

– Renewal, Recreation and Housing Portfolio (ECS Department)

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 is ongoing to reduce the risk of Government Designation for Special Measures due to Planning performance.

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.

For major appeals, which can arise unpredictably, there is often a need for specialist external consultants advice which creates additional costs.

Comments from the Director of Corporate Services (Resources, Commissioning & Contract Management Portfolio) including Risk Areas

Overall the variance for the Corporate Services Division is £242k underspend. The two main variances are within Legal and Information Systems.

Legal Services has a net overspend of £193k. The majority of the overspend (£307k) was due to additional counsel fees and court costs relating to caseloads within children's services. This was partly offset by additional income, underspend from staff vacancies and other minor variations (£114k).

The Information Systems & Telephony variance is an underspend of £410k relating to General Data Protection Regulations (GDPR) staffing and systems work, plus other staffing vacancies. A request will be made to carry forward £311k of this variance to complete the GDPR work.

Analysis of Risks

The variance for legal is an overspend of £193k. The majority of the overspend (Dr £307k) is due to additional counsel fees and court costs relating to caseloads within children's services, which has been partly offset by additional income, underspend from staff vacancies and other minor variations (Cr £114k).

Caseloads in children's services continue at a higher level than has previously been the case. Normal caseloads have historically been c48 new cases per annum. In 2017/18, 74 sets of proceedings were issued which is on a downward trend from 2016/17 when there were 98 sets of new childcare cases. In 2018/19, there were approximately 60 cases. A minimum court fee of £2,025 is payable on each case which means even with an additional 12 cases this will still represent a substantial sum. The only way to avoid this would be not to issue proceedings, which is not a realistic option. 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.

Childcare cases typically take between 3-9 months to conclude therefore there is an ongoing cost pressure from cases which were issued in 2017/18 which were not concluded in that year which has been exacerbated by the continuing high level of new instructions. There has been a high turnover of staff in the team which has had a major impact on using in-house staff for advocacy, to gradually reduce spend on Counsel.

Comments from the Director of HR & Customer Services (Resources, Commissioning & Contract Management Portfolio) including Risk Areas

The overall variance for the Human Resources and Customer Services Division was an underspend of £198k. This relates to the General Data Protection Regulations (GDPR) compliance work, in regard to the utilisation of the existing Human Resources system.

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

- Adult Care & Health

The provisional outturn for the Adult, Care and Health Services Portfolio is an underspend of £48k for the year. This is a demand led service that has scrutiny of spend and quality built into the process such as PRG and other case discussion forums for each service area.

The main areas of pressure are in Assessment and Care Management, Learning Disabilities and Mental Health, and relate to the growing number of service users supported, which is above the numbers and baseline of the budget that was agreed in this financial year. As a demand led service, we are statutorily bound to provide support and care to residents based on their assessed needs. In addition, we are providing more support to carers to ensure they adequately support their loved ones to reduce escalation to statutory care services.

The pressure reflects the growing number of young people with statutory statements of need who are being transferred from children's services. We are also seeing a number of providers managing challenging behaviour of older people with dementia and requesting additional staffing to care for them in a safe and humane way. These cases are automatically referred to the CCG for joint funding decisions which will continue as stated above.

The overspend in Assessment and Care Management also include the unrealised savings of £150k that was predicated on the transfer of re-ablement to BHC.

Bromley health and social care had a very busy summer with higher than ever recorded attendances at the PRUH, in turn we have seen a spike in both residential and nursing care placements (an average of 14 above budget during the year) having to be made.

There remain pressures within the domiciliary care area, as we see increasing numbers of people supported to live at home compounded with an increasing reliance on assessments and care management packages to support older people to live independently. Underspends in other areas within the department and the utilization of the Better Care Fund with our health colleagues helped in mitigating these pressures overall. We are seeing high demand from very complex cases where frailty and conditions relating to disability and ageing are compounded by the need for double handed care, sometimes 1 to 1 care provision to stabilise challenging behaviour.

The main risks in the Adult Care and Health 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

- Housing

The provisional outturn for 2018/19 in housing services is an underspend of £23k, which includes the allocation of £2,489k from the central contingency to mitigate the ongoing homelessness pressures being experienced in Bromley, as agreed by the Executive in March 2019. This includes additional provisions for bad debts arising mainly from the roll out of welfare reform, increases in the levels of homelessness and increases in the cost of the provision. Underspends in other areas help mitigate the pressures overall.

The key risks in the Renewal, Recreation and Housing Portfolio are:-

- i) Increased homelessness and the associated costs
- ii) Introduction of the Homeless Reduction Act
- iii) Increased rent arrears arising from roll out of Welfare reform

- Education, Children and Families Portfolio

The Children, Education and Families Portfolio has an overspend of £3,192,000 for the year.

The Education Division has an underspend of £12,000. Pressures in Adult Education, in house nurseries and the Education Welfare Service are currently being mitigated by Workforce Development and Governor Services, Early Years and SEN and Inclusion.

There is a final underspend in DSG of £1,481k in 2018/19. This will be added to the £1,180k brought forward from 2017/18. The 2017/18 brought forward figure has had to be adjusted by the Early Year funding adjustment which has reduced the amount of DSG we received in 2018/19 by £166k. This gives us a final DSG balance of £2,495k at the end of the financial year to be carried forward. This includes the additional £788k extra funding that Government announced on the 17th December 2018 for the High Needs Block. It has been agreed that £212k of this funding will be utilised in 2019/20 to cover High Needs Block costs which will in effect be the first call of the total carried forward sum. Without the £788k funding LBB would only be carrying forward £1,707k into 2019/20

There continues to be ongoing pressures in the DSG, especially in the High Needs Block, for 2019/20 onwards. The introduction of the National Funding Formula (NFF) means there are severe restrictions in how the grant is spent and in what areas. High Needs are experiencing increases in demands. The Council has contributed £1m in 2018/19 and £1m was top sliced from Schools DSG funding to support the High Needs Block. For 2019/20 the Council Contribution rises to £1.9m and the schools contribution reduces to zero. There is likely to be further increase pressures in this area that further funding streams will need to address.

In Children's Social Care the overspend of £3,204k due to the increased number of children in care. The table below (table 1) sets out the position in respect of the number of CLA in Bromley, National and Statistical Neighbours. Post Ofsted, we saw a nominal increase per 10,000 as set out below. However, we are still below our statistical and national neighbours (an area that Ofsted has asked us to explain). Regardless, we have 43 more children (236) (in year/projected) above an agreed (financial baseline) of 194 children in independent fostering, in-house fostering and residential care (see table 2).

Table 1

Rate of CLA								
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Bromley	41	41	39	37	39.6	39.3	41.7	40.5
Statistical Neighbours	48	47.5	50	49.7	50.7	54.3	TBC*	TBC*
National	59	60	60	60	60	62	TBC*	TBC*

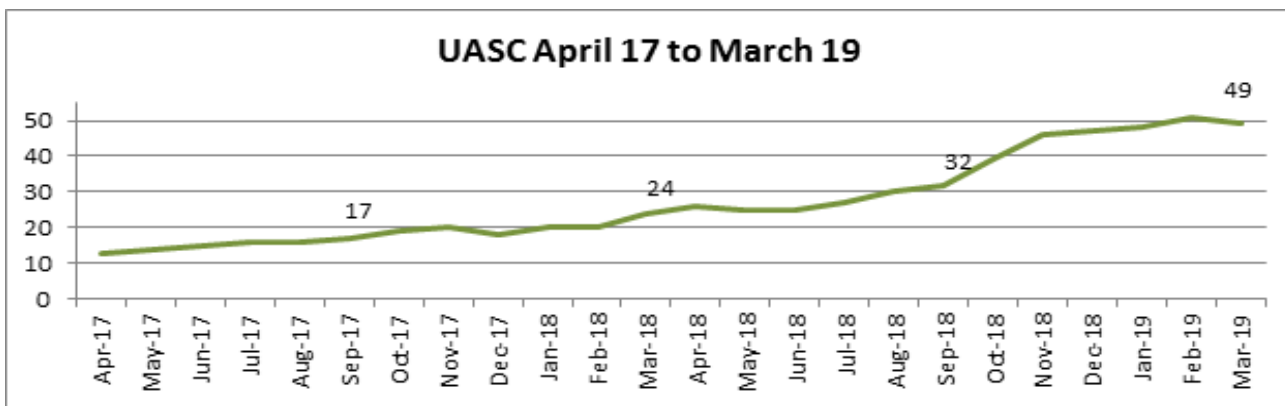
Table 2

Code	2018/19 Approved Budget		2018/19 Outturn			2018/19 Variation	
	£	Full Year Equiv.	£	Full Year Equiv.	£	Full Year Equiv.	
RESIDENTIAL (all types)	6,396,870	32.56	7,474,185	38.70	1,077,315	6.14	
FOSTERING							
Fostering IFA	2,709,040	62.67	3,840,682	85.43	1,131,642	22.76	
Fostering In house	2,873,890	98.53	2,702,235	112.15	(171,655)	13.62	
Total Fostering Placements	5,582,930	161.20	6,542,917	197.58	959,987	36.38	
TOTAL RESIDENTIAL/ FOSTERING PLACEMENTS	11,979,800	193.76	14,017,102	236.28	2,037,302	42.52	

We have continued to see an increase in the number of Looked After Children but are confident that the right children are being cared for and this is borne out by the Courts. LA applications to Court for orders and the care plans are being validated by the court which indicates that our thresholds are correct and that these children need to be safeguarded away from their parents. The number of care proceedings has dropped slightly is currently at 81 sets of proceedings – this number is for families and may involve a number of children in each family. We also have 43 families currently under the PLO and a number of these families could also be issued for care proceedings if issues of safeguarding cannot be mitigated. These children are likely to be subject to CP plans and these plans are not having the impact anticipated. The LA applications to court for orders and the care plans are being validated by the court which indicates that our thresholds are correct and that these children need to be safeguarded away from their parents. There is a cost implication for these children who will be cared for through fostering either in house of IFA and/or residential settings.

The continuing impact of the Social Work Act to support our children to the age of 25 is not yet fully showing itself but we can see the impact following the statutory letters sent out to 115 young people and the flow of young people contacting the authority for support. Some of this support is merely ‘touch base’ and others because they have found themselves in financial difficulty and threatened with tenancy breakdowns – at the current time we are receiving 2 or 3 contacts per week. We know that once Universal Credit is fully implemented this will likely increase the work required to support these young people. This in turn will have an impact on staffing and the likely need for growth in respect of YPA’s.

Bromley as part of the Pan London agreement had 48 UASC minors in January 2019 which rose to 51 and in February Bromley removed itself from the rota and will not receive any further young people. Our current cohort of Looked After is 342 and 49 of these are UASC.



Due to the cultural match and complexity of these young people a number of them are in IFA placements which are more expensive. We are currently setting up a specialist fostering service to support these young people and provide more in house carers for emergencies which will reduce cost but ensure that young people receive wrap around services from us. At the present time we have 20 placements with IFA at a cost £450k

The increase is having an impact on staffing and at the current time we have 1 social work post and 3 YPA’s. A growth bid was agreed for 2019/20 which acknowledged the increases in UASC’s coming through the system.

We have already created as an interim measure a 4th team manager post which is being paid for from vacancies – this is not sustainable. In addition this has an impact on the financial capacity to make the necessary and somewhat complicated home office claims.

Alongside this are hidden costs of social work time, IRO's and services required to support these very vulnerable young people.

In addition this has a knock on effect to the capacity within the Virtual School.

Although the Council are given grant (£91 per day for a 16+, £114 per day for an U16) this does not cover the costs of the placements and the on costs. An additional 30 children (based on 23 last reported in May and the maximum allocation of 53) placed in independent foster care could cost as much as £1,350k gross per annum in a full year in placements alone. There would also be costs of additional social workers and other back office costs. This would be offset by grant but would still leave a net position to be funded by the Council.

This is the worst case scenario and assumes that all of the children are placed in more expensive settings so the final amount will be subject to the actual setting they are placed in. Growth has also been agreed and put into the budget to mitigate against this.

Residential Placements:

This continues to be a challenge for the authority and across other Local Authorities with regard to suitable quality placements for children with complex needs and especially those who meet the secure threshold. This is being addressed through the building of two further educational secure units but these will not come on stream for a couple of years. Therefore the issues of lack of suitable safe placements persists.

At the current time we have 2 young people in secure and when they step down to residential this is likely to continue to be a high cost responsibility in terms of having to put 2:1 and then 1:1 staffing around them. The costs for this type of residential continue to remain around £8,900 per week - we should be predicting that a repeat of last year is likely to occur and therefore this should be calculated for 2 young people at any one time for a period of 6 months each in the region of £442,000 per year and an expected uplift from providers during the year 18/19

In addition we are discussing with the West London Alliance whether Bromley should join this hub and how this would support us going forward in terms of suitable placements and have more strength in negotiating terms with IFA's

An initial interest meeting took place in February and a further meeting is due to take place in May to consider if this would support better efficiencies and improve the pool of placements for more complex children.

The Virtual School is being challenged in respect of the numbers of adopters in Bromley who under the Social Work Act are now able to request support from the Virtual School – this is at present around 2 or 3 enquiries per week together with school requests. This is predicted to grow as Bromley is likely to have a richness in adoptive families where children have been placed by other adoption agencies. The Government when including this in the SW Act considered that this would not have an impact on the work of the VS however this is dependent on the particular Borough and its demographics.

Agency staff continues to be cost burden although we have maintained around 85% of permanent social worker staff coming from the low figure of 42% in 17/18.

We have developed our 23 one hundred day students and anticipate that a number of these students will be offered placements to offset the agency figures. In addition we will repeat the same exercise as of last year in recruiting up to 30 ASYE in September to replace the agency workers. We continue to convert as many workers as possible and as such a recruitment campaign will recommence in May with a 'conversion' event and advertising campaign on the back of our Ofsted outcome. This area will continue to be a challenge as we are competing with other LA who are raising their salaries and costs to attract the small pool of skilled experienced workers. Our caseload promise and training continues to attract some workers to Bromley. The recruitment and retention board meets monthly to consider how best to address this.

The risks in the Education, Children & Families Portfolio are:-

- i) Recruitment and retention of permanent staff/ ability to recruit skilled staff for the posts vacant.
- ii) Limited supply and increasing costs of residential placements – including the specialist placements for very complex young people.
- iii) Increase in the Looked After Population – particularly in our Looked After Unaccompanied Minors
- iv) Increased complexity of children (SEND).
- v) Impact of Social Work Act 2017 implementation.
- vi) Income from partners reducing.
- vii) Shortage of local school places.
- viii) Increasing High Needs Block expenditure not matched by a commensurate increase in Government Grant
- ix) Continuing impact of 2014 Children and Families Act extending the age range to 25 for Education, Health and Care Plans.

Adult Care and Health Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	Division Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
23,836	Assessment and Care Management	23,462	22,083	23,299	1,216	1	1,058	959
0	Planned A&CM savings from management action	0	0	0	0		Cr 62	Cr 340
406	Direct Services	144	144	139	Cr 5	2	0	0
0	Quality Assurance & Safeguarding	0	122	103	Cr 19	3	0	0
32,070	Learning Disabilities	33,551	33,708	34,198	490	4	597	1,113
0	Planned LD savings from management action	0	0	0	0		Cr 19	0
6,018	Mental Health	6,273	6,169	6,416	247	5	142	331
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	Cr 677	Cr 677	6	Cr 519	Cr 492
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0	7	0	0
0	Winter Pressures Grant	0	0	Cr 1,190	Cr 1,190		Cr 1,190	0
60,386		63,430	62,226	62,288	62		7	1,571
Programmes								
1,639	Programmes Team	1,986	2,364	2,316	Cr 48	8	Cr 9	0
3,152	Information & Early Intervention	1,127	1,126	932	Cr 194		Cr 173	Cr 33
Cr 3,152	- Net Expenditure	Cr 1,042	Cr 1,126	Cr 932	194		173	33
	Better Care Fund							
21,680	- Expenditure	21,183	22,435	22,377	Cr 58	8	0	0
Cr 21,819	- Income	Cr 21,275	Cr 22,527	Cr 22,469	58		0	0
	Improved Better Care Fund							
4,184	- Expenditure	4,490	8,548	8,548	0	8	0	0
Cr 4,184	- Income	Cr 5,363	Cr 8,548	Cr 8,548	0		0	0
	NHS Support for Social Care							
28	- Expenditure	0	1,100	1,100	0	8	0	0
Cr 28	- Income	0	Cr 1,100	Cr 1,100	0		0	0
1,500		1,106	2,272	2,224	Cr 48		Cr 9	0
Strategy, Performance & Engagement								
300	Learning & Development	372	363	355	Cr 8	9	Cr 5	0
1,961	Strategy, Performance & Engagement	2,383	2,145	2,091	Cr 54		Cr 6	0
2,261		2,755	2,508	2,446	Cr 62		Cr 11	0
Public Health								
15,103	Public Health	14,763	14,764	14,764	0		0	0
Cr 15,096	Public Health - Grant Income	Cr 14,708	Cr 14,708	Cr 14,708	0		0	0
7		55	56	56	0		0	0
64,154	TOTAL CONTROLLABLE ADULT CARE & HEALTH	67,346	67,062	67,014	Cr 48		Cr 13	1,571
1,419	TOTAL NON CONTROLLABLE	221	1,673	1,673	0		Cr 31	0
2,364	TOTAL EXCLUDED RECHARGES	2,546	2,271	2,271	0		0	0
67,937	TOTAL ADULT CARE & HEALTH PORTFOLIO	70,113	71,006	70,958	Cr 48		Cr 44	1,571

Reconciliation of Final Approved Budget

£'000

2018/19 Original Budget

78,500

Transfer of Housing to Renewal, Recreation & Housing Portfolio

Cr 8,387

2018/19 Revised Original Budget

70,113

Carry forwards requests

Better Care Fund - Good Gym

- expenditure

8

- income

Cr 8

Better Care Fund

- expenditure

28

- income

Cr 28

Improved Better Care Fund

- expenditure

3,172

- income

Cr 3,172

Public Health Grant

- expenditure

1,018

- income

Cr 1,018

Other:

2018/19 Improved Better Care Fund allocation - adjusted amount:

- expenditure

13

- income

Cr 13

Short term assistance to day centres

152

Budget Transfer - Rent of Queen Mary's Hospital (CLDT)

80

Budget Transfer - Rent of Queen Mary's Hospital (CLDT) - adjustment

Cr 27

Transfer of Contracts Administrator post		20	
Fire Risk Assessment and Cyclical Maintenance		27	
IBCF Expenditure		500	
Drawdown of Health Funding			
- expenditure		1,500	
- income	Cr	1,500	
Strategic and Business Support Services restructure		10	
Customer Relations Officer post		12	
Transfer of resources from ECHS to Liberata contract budget	Cr	28	
Winter Pressures Grant drawdown			
- expenditure		1,190	
- income	Cr	1,190	
Return IBCF funding to contingency	Cr	500	
Adult Social Care Support Grant drawdown	Cr	744	
Virement from Programmes and Strategy Divisions to Childrens Social Care	Cr	250	
IBCF expenditure drawdown		873	
Merit awards		31	
National Living Wage funding returned to contingency	Cr	567	
Memorandum Items:			
Capital Charges		179	
Insurance	Cr	17	
Rent income	Cr	38	
Repairs & Maintenance	Cr	70	
IAS19 (FRS17)		1,219	
Excluded Recharges		31	
Final Approved Budget for 2018/19		71,006	0

REASONS FOR VARIATIONS

1. Assessment and Care Management - Dr £1,216k

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	Cr 349
- Respite Care	Cr 48
- Domiciliary Care / Direct Payments	Cr 114
	<u>Cr 511</u>
Services for 18 - 64	
- Placements	429
- Respite Care	1
- Domiciliary Care / Direct Payments	100
	<u>530</u>
Other	
- Day Care	Cr 683
- Transport	Cr 187
- Extra Care Housing	Cr 122
- Staffing	273
- Community Equipment	230
- D2A	1,121
- Other	Cr 80
- Contribution to Provision for Bad Debts	645
	<u>1,197</u>
	<u>1,216</u>

The 2018/19 budget includes funding for the full year effect of the 2017/18 overspend, less savings agreed as part of management action to reduce this overspend.

Services for 65+ - Cr £511k

The average numbers of service users in residential and nursing care across the year was 420 which was 6 above the budget provision of 414. Despite this, the final outturn was an underspend of £525k for the year. Income in relation to court of protection cases continued to partly offset the cost of the higher numbers, as well as average net placement costs being lower than what was budgeted for.

Included in the £525k underspend above, there is the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements that has been factored in. This was budgeted at £340k, however only £51k of this was achieved.

Offsetting the underspend in long term placements, there was a high number of temporary and emergency placements during the year, resulting in an overspend of £176k on the budget. At the end of March, there were 35 service users still in these placements.

The budget for respite care for this age group was £48k underspent at year end.

The overall position on the domiciliary care and direct payments budgets is an underspend of £114k, which is a change of Cr £42k from the underspend position of £72k reported in December. This underspend consists of:

1) An overspend of £150k relating to a saving that had already been included in the 2018/19 budget with the expected transfer of the Reablement Service to Bromley Health Care in 2017/18. This did not happen as envisaged, however the saving had already been included in the budget, so currently remains as an overspend.

2) Domiciliary care underspend of £61k; an additional underspend of £55k from the figure reported in December. Although it is difficult to quantify the reasons for the changes in domiciliary care costs as the income and expenditure varies with each service user, the effects of the Discharge to Assess extended pilot would be impacting on these costs. Direct payments outturned with an underspend of £203k, a reduction in the underspend last reported which was Cr £217k.

Services for 18-64+ - Dr £530k

Placements for 18-64 age group outturned with an overspend of £374k this year, an increase of £50k since the December position. The main pressure area relates to clients with a primary support reason (PSR) of memory and cognition where the actual number of 16 is 8 above the budget provision.

In addition, as with the budget for over 65's, the £374k overspend above includes the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements of £108k. This target was not achieved this year and therefore forms part of the reported overspend.

During the year there were also temporary and emergency placements made, resulting in an overspend of £55k on the budget. At the end of March there were 5 service users still in these placements.

The budget for respite care for this age group was £1k overspent at year end.

The overall position on the domiciliary care and direct payments budgets is an overspend of £100k, a reduction of £55k since December. Domiciliary care was underspent by £28k, compared to an overspend of £11k last monitoring, and direct payments was overspent by £128k, a reduction of £67k in the overspend since December. The main reduction relates to the recovery of unused direct payments from service users.

Other costs as detailed below - Dr £1,197k

Day Care - Cr £683k

Day Care services continued to show reduced use of the service during the year with low numbers compared to the budget provision. In addition contracts that we had with some providers for the provision of transport to their centres have ended, with the main Greenwich Services Plus (GSP) transport contract taking on these clients. This has resulted in a final underspend of £683k.

Transport - Cr £187k

The reduced use of Day Care services has impacted on the service provided by Greenwich Services Plus (GSP), with an underspend of £187k for the year, despite the unit cost for each return journey being paid to GSP having increased from £32.67 to £37.43 in December 2018.

Extra Care Housing - Cr £122k

The budget for the provision of Extra Care Housing has underspent by £122k for the year, made up of an underachievement of income of £16k and an underspend of £138k on payments to the external provider's who provide the personal care services, mainly as a result of the level of voids during the year.

Staffing - Dr £273k

Within Assessment & Care Management, additional agency staff have had to be brought in to deal with the high number of reviews of current service users care packages, and those who are coming through the "front door". This, together with the additional costs of having to employ agency staff due to recruitment issues has resulted in additional costs of £273k for the year.

Community Equipment - Dr £230k

The Community Equipment budget has overspent by £230k this year. As detailed in the report to Executive in July 2017, Bromley's contribution is capped at £600k, so any overspend needs to be financed by the CCG, with a request to draw funds from the Better Care Fund. With the announcement of the Winter Pressures Funding Grant this year, £230k has been allocated to offset this overspend, which is included in the amount shown at note 7 below.

Discharge to Assess (D2A) - Dr £1,121k

At it's meeting on 27th June the Executive agreed to extend the Discharge to Assess (D2A) pilot for another year. The total cost of the D2A service has been calculated at £1,098k this year, which includes both the costs of packages of care and staffing and associated costs. In addition, costs of £23k relating to 2017/18 which the Council were not made aware of by the CCG had to be paid from this years budget, bringing the total costs to £1,121k. Any savings arising from this are shown under the appropriate care package heading (ie placements or domiciliary care/direct payments), so would already be taken account of in the final figures shown above. £439k of the Winter Pressures Funding Grant has been allocated to offset this overspend, which is included in the amount shown at note 7 below.

A report on the outcome of the extended pilot is due to be reported to the Executive in July 2019.

Other costs - Cr £80k

Other costs for assessment and care management were underspent by £80k overall. These mainly relate to services provided to the hearing and visually impaired.

Contribution to Provision for Bad Debts - Dr £645k

A contribution of £645k to the bad debt provision has been made to ensure there is sufficient provision to cover expected levels of bad debt.

2. Direct Services - Cr £5k

Direct Services Management - Cr £5k

The underspend relates to staffing costs of £2k and leased cars of £3k.

3. Quality Assurance & Safeguarding - Cr £19k

The underspend relates to staffing costs of the Quality Assurance team within Adults Social Care.

4. Learning Disabilities - Dr £490k

As outlined in budget monitoring reports throughout the year, the 2018/19 LD budget included funding for both the full year effect of the 2017/18 overspend (based on the position at the time the budget was prepared) and 2018/19 demand-related pressures. The 2017/18 final outturn report highlighted that both of these included assumptions on planned savings from management action. The delivery of a balanced budget position in 2018/19 was therefore dependent on these savings being achieved as well as the successful management of continued demand pressures.

The final outturn position is an overspend of £490k, which compares to an anticipated overspend of £578k reported in December budget monitoring, a net reduction of £88k. This is a relatively small change in the context of the size of the budget. This net reduction comprises many variations but the single largest factor is slippage in the start dates of planned new and increased care packages. This means that these cost pressures are postponed rather than avoided.

Broadly the overspend can be attributed to the high number of new and increased care packages over and above that allowed for in the budget i.e. in excess of the estimated growth for the year, and lower than budgeted savings from management action. Demand pressures will continue to be monitored closely going into 2019/20.

Savings totalling £467k were achieved in 2018/19 (£636k in a full year), without which the overspend would have been higher. The dedicated 'invest to save' team tasked with delivering the savings ceased at the end of September 2018 with the intention that ongoing savings-related work would be embedded within the core care management team. Pressures within the core team have had an adverse impact on the capacity to undertake this work and this has contributed to lower than budgeted savings.

There was an overspend on LD Care Management of £36k which mainly arose from the use of agency staff and additional staff brought in to undertake review work.

5. Mental Health - Dr £247k

Similar to Learning Disabilities above, the 2018/19 Mental Health budget included funding for the full year effect of the 2017/18 overspend based on the position at the time the budget was prepared. This included an assumed level of savings from management action.

The final outturn position is an overspend of £247k compared to £142k reported in December. The net increase is due to a number of factors but is principally a result of a number of additional clients placed in the final three months of the year and assumed responsibility for a client under Ordinary Residence. The impact on the full year effect is greater, moving to an estimated overspend of £331k.

It is suspected that some of the new clients may have been misclassified with Mental Health as their primary support reason but it hasn't been possible to clarify this in time to close the accounts. If this is the case it will reduce the full year impact on Mental Health (although the change will be cost neutral across the whole of Adult Social Care).

6. Better Care Fund (BCF) - Protection of Social Care - Cr £677k

A number of local authority adult social care services are funded by an element of the Better Care Fund (BCF) set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services underspent by £677k in 2018/19 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

7. Winter Pressures Grant - Cr £1,190k

In November 2018, the Department of Health and Social Care announced the Winter Pressures Grant to support Adult Social Care services. The grant must be used in addition to planned spending and to support the local health and social care system to manage demand pressures on the NHS between November 2018 and March 2019 and help promote people's independence. Bromley's grant allocation is £1,190,460.

8. Programmes Division - Cr £48k

Programmes Team - Cr £48k

The underspend of £48k relates principally to staffing and contracts. During 2018/19 there has been a high level of staff turnover and interim staff in this area. The increase in underspend from the £9k included in the previous report is largely due to staff leaving and starting at different times to those anticipated. The additional cost associated with interim staff has been offset by other posts remaining vacant.

Information and Early Intervention - Dr & Cr £194k

This budget area encompasses any adult social care-related service or support for which there is no test of eligibility and no requirement for review. It includes: information and advice, screening and signposting, prevention and low-level support, and independent advocacy.

The main element of the £194k underspend is reduced expenditure funded by the Primary and Secondary Intervention Services Innovation Fund. The underspend on the Fund is shared with Bromley CCG and the Better Care Fund and the element included here is the net amount for Bromley. There are also savings in other areas, principally due to minor inflationary savings across a number of contracts and lower than anticipated volumes on the new single advocacy contract.

The whole Information and Early Intervention Service is one of a range of services protected by the Better Care Fund and, as such, the underspend on this service has been used to offset other pressures within adult social care in line with the intentions of the funding. This is reflected in note 6 above.

Better Care Fund (BCF) - net nil variation

The underspends on the protection of social care element of Better Care Fund (Cr £677k) have been used to offset other budget pressures within Adult Social Care as outlined in note 6 above. The remaining underspend of £58k will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG. This results in a net nil variation on Better Care Fund overall.

Improved Better Care Fund (IBCF) - nil variation

The Improved Better Care Fund allocation for 2018/19 was £5.376m. In addition £3.172m of unspent 2017/18 funding was carried forward to 2018/19.

There was a degree of slippage in 2017/18, the first year of IBCF, partly because allocations were agreed relatively late in the financial year and this has had a knock on effect in year 2 of the programme resulting in underspends totalling £3,967k. In line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years and spending commitments are in place in 2019/20. These commitments include contributions to balance Adult Social Care growth pressures in 2019/20.

9. Strategy, Performance & Engagement Division - Cr £62k

The underspend of £62k on the Strategy, Performance & Engagement Division principally relates to underspends on staffing and central departmental running expenses budgets, as well as higher than budgeted income from schools.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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, 2 waivers for Adult placements have been agreed for between £50k and £100k.

Virements Approved to date under Director's Delegated Powers

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

Education, Children and Families Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Education Division								
Cr 360	Adult Education Centres	Cr 525	Cr 520	Cr 436	84	1	128	130
418	Schools and Early Years Commissioning & QA	524	525	385	Cr 140	2	Cr 36	0
5,583	SEN and Inclusion	5,820	6,568	6,586	18		Cr 122	0
95	Strategic Place Planning	96	98	73	Cr 25		0	0
6	Workforce Development & Governor Services	5	5	6	Cr 11		Cr 44	0
Cr 167	Education Services Grant	0	0	0	0		0	0
185	Access & Inclusion	165	308	430	122	3	27	0
Cr 1,312	Schools Budgets	Cr 1,348	Cr 1,348	Cr 1,340	8	4	0	0
102	Other Strategic Functions	1,038	139	71	Cr 68	5	Cr 7	0
4,550		5,775	5,775	5,763	Cr 12		Cr 54	130
Children's Social Care								
1,248	Bromley Youth Support Programme	1,479	1,483	1,418	Cr 65	6	Cr 12	0
686	Early Intervention and Family Support	1,093	1,071	879	Cr 192		Cr 121	0
4,912	CLA and Care Leavers	5,066	5,482	5,706	224		22	210
13,592	Fostering, Adoption and Resources	13,638	14,127	17,933	3,806		4,250	4,425
0	Management action - Additional CCG Income	0	0	Cr 800	Cr 800		Cr 800	Cr 500
2,833	Referral and Assessment Service	2,909	3,590	3,411	Cr 179		Cr 179	Cr 187
2,176	Safeguarding and Care Planning East	2,159	3,023	2,743	Cr 280		Cr 251	Cr 174
3,874	Safeguarding and Care Planning West	3,810	4,260	4,470	210		Cr 47	182
4,290	Safeguarding and Quality Improvement	4,260	1,800	2,280	480		189	945
	Planned savings from management action	0	0	0	0		0	Cr 1,345
33,611		34,414	34,836	38,040	3,204		3,051	3,556
38,161	TOTAL CONTROLLABLE FOR EDUCATION, CHILDREN & FAMILIES	40,189	40,611	43,803	3,192		2,997	3,686
3,257	Total Non-Controllable	2,006	5,332	5,332	0		Cr 15	0
7,309	Total Excluded Recharges	8,126	8,391	8,391	0		0	0
48,727	TOTAL EDUCATION, CHILDREN & FAMILIES PORTFOLIO	50,321	54,334	57,526	3,192		2,982	3,686
Memorandum Item								
Sold Services								
29	Education Psychology Service (RSG Funded)	Cr 107	Cr 107	Cr 85	22	7		0
7	Education Welfare Service (RSG Funded)	Cr 32	Cr 31	8	39			0
3	Workforce Development (DSG/RSG Funded)	Cr 4	Cr 4	Cr 6	Cr 2			0
43	Community Vision Nursery (RSG Funded)	49	49	52	3			0
75	Blenheim Nursery (RSG Funded)	76	76	93	17			0
157	Total Sold Services	Cr 18	Cr 17	62	79		0	0

Reconciliation of Final Approved Budget

£'000

Original Budget 2018/19

50,321

Contingency:

SEN Implementation Grant 2018/19

- expenditure

189

- income

Cr 189

SEND Preparation for Employment Grant 2018/19

- expenditure

63

- income

Cr 63

SEN Pathfinder Grant 2018/19

- expenditure

28

- income

Cr 28

Carry forwards:

SEN Implementation Grant 2016/17

- expenditure

20

- income

Cr 20

SEN Pathfinder Grant 2016/17

- expenditure

16

- income

Cr 16

Early Years Grant

- expenditure

15

- income

Cr 15

School Improvement Grant

- expenditure

47

- income

Cr 47

High Needs Strategic Planning Fund

- expenditure

13

- income

Cr 13

Delivery Support Fund

- expenditure

69

- income

Cr 69

Tackling Troubled Families

- expenditure

498

- income

Cr 498

Other:

Fire Risk Assessment and Cyclical Maintenance		82
Customer Relations Officer post	Cr	8
Strategic and Business Support Services restructure	Cr	7
Virement from Programmes and Strategy Divisions to Childrens Social Care		250
Merit awards		55
Revised EDT Recharge - Controllable		98
Revised EDT Recharge - Non-Controllable	Cr	98
Bromley Welcare		
- expenditure		29
- income	Cr	29
Non Recurring Expendiure (YOS)		
- expenditure		97
- income	Cr	97
Tackling Troubled Families		
- expenditure		291
- income	Cr	291
Memorandum Items:		
Capital Charges		51
Insurance	Cr	23
Rent income	Cr	15
Repairs & Maintenance	Cr	3
IAS19 (FRS17)		3,234
Excluded Recharges		397
Final Approved Budget for 2018/19		<u><u>54,334</u></u>

REASONS FOR VARIATIONS

1. Adult Education - Dr £84k

The Adult Education service has overspent by £84k for the year. The main pressure areas for the service is £163k for staffing costs to provide required courses and preparing for the OFSTED inspection that is due in the near future. There is also an under collection of income of £17k as compared to the baseline budget.

There is an underspend on the running costs (£96k) that is partially offsetting the on-going pressures.

2. Schools and Early Years Commissioning & QA - Cr £140k

The in-house nurseries now have the restructured staffing structure in place. This financial year will be part year under the existing structure and part year under the new structure. This has had the effect of expecting the nurseries to overspend by £20k for the year.

These overspends have been offset by the current staffing underspends of £58k that are mainly due to vacant posts.

There also is an underspend on the running costs of £15k and an over collection of income mainly from Academies of £11k.

The Council also received a School Improvement Grant which it has utilised in year across the Education function (£76k).

3. Access & Inclusion - Dr £122k

The Education Welfare Service Trading Account is currently expected to under collect on it's income by £39k due to the loss of a number of school contracts. The provision of the service will need to be reviewed.

There has been an overspend of £20k on the cost for transporting mainstream children to their school.

There has been an overspend of £47k on Management and Admissions during the year. This is mainly due to the use of agency staff.

This area also looks after the main Education IT system. The maintenance and upkeep of the software has produced a £10k overspend for the year.

There is a small overspend on the running costs of £6k that is offsetting the on-going pressures.

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 final underspend in DSG of £1,481k in 2018/19. This will be added to the £1,180k brought forward from 2017/18. The 2017/18 brought forward figure has had to be adjusted by the Early Year funding adjustment which has reduced the amount of DSG we received in 2018/19 by £166k. This gives us a final DSG balance of £2,495k at the end of the financial year to be carried forward. This includes the additional £788k extra funding that Government announced on the 17th December 2018 for the High Needs Block. It has been agreed that £212k of this funding will be utilised in 2019/20 to cover High Needs Block costs which will in effect be the first call of the total carried forward sum. Without the £788k funding LBB would only be carrying forward £1,707k into 2019/20

The in-year overspend is broken down as follows:-

The bulge class budget has underspent by £748k for this financial year. Additionally the council has spent £18k on modular classroom rentals during the year.

Free Early Years Education has underspent by £321k this year. The budget for the 2 year old children is overspent by £120k and this is being offset by an underspend for 3 & 4 years old children (both for the first 15 and the new additional 15 hours) of £441k. there is also a £40k underspend in the nursery funding paid to Schools.

The Free Early Years Education has underspent this financial year. Any over or underspend on this area will only have a marginal effect on the DSG variances as DfE calculate our final allocation (released in July) based on the Early Years annual census that is performed every January. The returns from the nurseries are checked by members of the Early Years team before passing the figures to DfE in March. DfE then review the figures before publishing our final allocations, where they will make any adjustments to our prior year allocation. It is expected that the currently underspend will produce a clawback of funds in July at approximately the same level as the current forecast underspend.

Additional in the Early Years spend there is an underspend of £34k relating to the Disability Access Fund (DAF). In previous years DfE has agreed that any underspends are to be spent in the following year on DAF related items. It has not been confirmed yet how this underspend is to be treated in the new year.

There is an underspend of £18k in the Pupil Support Services area. This is due to vacant posts and the under use of agency and consultancy costs to provide the service.

The Home and Hospital service has overspent by £303k during the year. This is due to the splitting out of the Nightingale School from the service and additional costs relating to the a higher than expected number of children the are seeing. The Home and Hospital service is in the process of being reviewed and this is expected to be completed in 2019/20.

There is an underspend of £116k in the Pupil Support Services area. This is due to vacant posts and the under use of agency and consultancy costs to provide the service.

The Behaviour Support service had an underspend by £77k due to lower than expected costs in supporting pupils access vocational courses.

The management costs in the Education area were £30k underspent for the year. The underspend was mainly in running costs.

There was an overspend of £71k for various ad-hoc payments the council has made to support maintained schools and offer them support when they have issues.

There was an underspend of £45k in the Priority Schools Action Group (PSAG) funding budget.

There is an overspend of £54k relating to the Secondary School Pupil Referral income.

There was an underspend of £940k on payments made to Special School and Schools with Units during the year. The estimated numbers of places was higher than the actual number funded places. This is subsumed into the overall high needs SEN budget

SEN placements are projected to overspend by a total of £245k. The overspend is being caused by the Maintained Day (£912k), Matrix funding (£353k) and Alternative Programmes (£397k). These overspends are then offset by underspends on Independent Boarding Schools (£640k), Maintained Boarding Schools (£298k) and Independent Day (£392k). There are additionally other running cost underspends and over collection of income totalling £87k.

The SEN placement budget pressure is coming from increased pupil numbers, this is in spite of the increases in in-borough Special Education places at Bromley schools.

SEN Support for clients in Further Education Colleges has overspent by £106k this year. This is due to the costs of placing clients with Independent Further Education providers.

The DSG funded element of SEN Transport is projected to overspend by £81k due to the new routes that were established in the 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 years allocation.

The High Needs Pre-School Service has held a number of posts vacant during the year resulting in a £126k underspend. There are not currently any plans to recruit to these posts as there is an on-going review of the service. This underspend is being offset by the loss of rental income during the year of £138k, and the pressure relating to the rental cost of the building the service is in (£40k) and is therefore causing an overall pressure of £52k.

The Sensory Support Service is overspent by £63k. This is due to staffing costs overspending by £17k and running costs (including use of agency and Business Rates) over spending by £46k

The SIPS, Outreach & Inclusion and Specialist Support Services have both underspent during the year. Most of the underspend relates to lower than expected staffing costs, but there is also a small amount that relates to running costs that have not been incurred during the year. The total of all of these underspends is a £211k. These are then being offset by an overspend in the Darrick Wood Hearing Units and the Complex Needs team (totalling £148k) to give a net underspend of £63k.

There is also a total small balance of overspends of £42k.

	Variations £'000	High Needs £'000	Schools £'000	Early Years £'000	Central £'000
Bulge Classes	-748	0	-748	0	0
Classroom Hire	18	0	18	0	0
Free Early Education - 2 year olds	-441	0	0	-441	0
Free Early Education - 3 & 4 year olds (Ir	120	0	0	120	0
School Nursery	-40	0	0	-40	0
DAF	-34	0	0	-34	0
Primary Support Team	-18	0	0	0	-18
Home & Hospital	303	303	0	0	0
Pupil Support Services	-116	-116	0	0	0
Behaviour Support	-77	-77	0	0	0
Education Management Costs	-30	0	0	0	-30
Schools Specific Contingencies	71	0	0	0	71
PSAG	-45	0	0	0	-45
Secondary Central - Pupil Referral	54	54	0	0	0
Payments to Special Schools	-940	-940	0	0	0
Other Small Balances	-18	0	-7	-6	-5
SEN:					
- Placements	245	245	0	0	0
- Support in FE colleges	106	106	0	0	0
- Transport	81	81	0	0	0
- High Needs Pre-school Service	52	52	0	0	0
- Sensory Support	63	63	0	0	0
- SIPS	-77	0	0	-77	0
- Darrick Wood Hearing Unit	98	98	0	0	0
- Complex Needs Team	50	50	0	0	0
- Outreach & Inclusion Service	-56	-56	0	0	0
- Early Support Programme	-78	-78	0	0	0
- Other Small SEN Balances	-24	-24	0	0	0
Total	-1,481	-239	-737	-478	-27

There will continue to be pressures in the DSG from 2019/20 onwards, especially in the High Needs Block area. More children are coming through the system which will put pressure on DSG resources. In 2018/19 DfE agreed that LBB could top slice £1m from the Schools DSG to underpin the High Needs budget. A further request was put forward to DfE for 2019/20 and this was rejected and therefore additional Council resources have been added to close the shortfall. From 2020/21 it is expected that this will no longer be available as the 'hard formula' National Funding formula kicks in and funding blocks are even more rigidly fixed.

5. Other Strategic Functions - Cr £68k

There was an underspend of £68k on the running costs during the year

6. Children's Social Care - Dr £3,204k

The outturn for the Children's Social Care Division was an overspend of £3,204k, an increase from the overspend reported for December, which was £3,051k. Despite additional funding being secured in the 2018/19 budget, continued increases in the number of children being looked after together with the cost of placements has continued to put considerable strain on the budget. Officers met to discuss ways to mitigate this and management action has helped contain the rate of the increase in the numbers.

The BYSP budget underspent by £65k, this can be analysed as follows:

- Youth Service - Dr £4k

Minor variances across the Youth Service resulted in a small overspend of £4k.

- Business Partnerships - Dr £3k

Minor variances across the Business Partnerships service resulted in a small overspend of £3k.

- Youth Offending Team - Cr £72k

Staffing underspent by £44k during a period of re-organisation which has now been completed. Additional income was also received from Health in 2018-19 which accounted for the additional underspend.

Early Intervention & Family Support - Cr £192k

There was an underspend in this area of £192k. The Children's Centres underspent by £67k on salaries and running costs and the commissioning of services for users of the centres. There was also an underspend on the Family Support and Contact Centres of £125k for salaries, premises and other running costs pending a review of the service.

CLA and Care Leavers - Dr £224k

Expenditure relating to the 'Staying Put' grant, where care leavers can remain with their foster carers after the age of 18, continues to overspend on the budget. The budget was realigned for 2018/19 within available resources, however there was an overspend of £133k as increasing number of young people choose this option at the age of 18.

Offsetting this is there was an underspend on direct accommodation support to looked after children (net of housing benefit) of £54k after allowing for an increase in the potential number of personal charges to be met by revenue.

Additionally, at year end, there has been an overspend of £145k against the budget for services for the educational support of Looked After Children (Virtual School) as statutory responsibilities have widened during the year.

Fostering, Adoption and Resources - Dr £3,006k

The budget for children's placements overspent by £3,006k this year. This amount is analysed by placement type below.

- Community Homes / Community Homes with Education - Dr £355k

- Boarding Schools - Dr £123k

- Secure Accommodation & Youth on Remand - Dr £63k

- Fostering services (IFAs) - Dr £1,132k

- Fostering services (In-house, including SGO's and Kinship) - Dr £526k

- Adoption placements - Dr £304k

- Outreach Services - Dr £552k

- Transport Costs - Cr £49k

Included in the variations above, Bromley CCG allocated funding of £500k as a contribution towards the continuing care costs of placements. An additional amount of funding of £800k has also being allocated by the CCG as a contribution to these placements as agreed for 2018/19. Should this latter amount not be agreed in future then this will have an impact on the budget in the future.

Referral and Assessment Service - Cr £179k

The main variance relates to services to families with No Recourse to Public Funds (NRPF) status, which underspent by £179k after allowing for additional costs for translation services. This budget had been increased in the past as numbers had risen significantly, however currently numbers are much lower, resulting in this underspend.

Safeguarding and Care Planning East - Cr £280k

The budget for pre-court work in preparation for care proceedings (PLO) underspent by £323k, particularly in the area of community and residential parenting assessments. Overspends of £43k were incurred in the year for additional support to families through Preventative Payments (Section 17 payments) and the use of translation services.

Safeguarding and Care Planning West- Dr £210k

Services for Children with Disabilities overspent by £295k this year. This is made up of an overspend of £445k in relation to Direct Payments and Care Initiatives, offset by an underspend of £5k on transport and £173k on group based short breaks. There was also an overspend of £28k for signing services for deaf children.

There were also overspends of £39k in the year for additional support to families through Preventative Payments (Section 17 payments) (Dr £39k), the use of translation services (Dr £23k) and an underspend (Cr 35k) on Nursery provisions.

A change in the provision of the short/respite breaks service at Hollybank has also realised an ongoing saving of £112k.

Safeguarding and Quality Improvement - Dr £480k

The variation of £480k overspend in this area relates solely to staffing and the additional cost of the annual Recruitment and Retention payments, other recruitment costs and staff travel.

7. 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 exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning 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 has been one waiver in the Education area with an annual value of less than £30k. In Children's Social Care there were 3 waivers agreed for placements of between £50k and £100k and 10 for more than £100k.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, there have been 2 virements 1) a virement has been actioned in Education for £35k and relates to the correction of the budget for a contract and 2) contributions from ECHS divisions to create a Customer Relations Officer as part of the Strategy, Performance and Engagement restructure for £8k. 3) Virement to CSC relating from the Programmes and Strategy Divisions to offset pressures in CSC of £250k

Environment Community Services Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT COMMUNITY SERVICES PORTFOLIO							
	Street Scene & Green Spaces							
5,071	Parks and Green Spaces	5,231	5,361	5,328	Cr 33	1	Cr 17	0
243	Street Regulation and Enforcement incl markets	352	357	368	Cr 11	2	Cr 6	0
16,930	Waste Services	18,120	17,715	17,096	Cr 619	3	Cr 331	0
4,103	Street Environment	4,414	4,409	4,289	Cr 120	4	Cr 100	0
907	Management and Contract Support	1,085	1,291	1,172	Cr 119	5	Cr 71	0
801	Trees	749	750	802	Cr 52	6	Cr 0	0
28,055		29,951	29,883	29,055	Cr 828		Cr 513	0
	Transport Operations and Depot							
706	Transport Operations and Depot Management	701	532	527	Cr 5		0	0
706		701	532	527	Cr 5		0	0
	Transport & Highways							
286	Traffic & Road Safety	324	330	234	Cr 96	7	Cr 105	0
Cr 7,893	Parking	Cr 7,119	Cr 7,419	Cr 7,499	Cr 80	8 - 13	Cr 54	0
6,589	Highways (including London Permit Scheme)	6,689	6,521	6,175	Cr 346	14	Cr 125	0
Cr 1,018		Cr 106	Cr 568	Cr 1,090	Cr 522		Cr 176	0
27,743	TOTAL CONTROLLABLE	30,546	29,847	28,492	Cr 1,355		Cr 689	0
6,601	TOTAL NON-CONTROLLABLE	6,195	4,378	4,378	0		14	0
2,323	TOTAL EXCLUDED RECHARGES	2,540	2,618	2,618	0		0	0
36,667	PORTFOLIO TOTAL	39,281	36,843	35,488	Cr 1,355		Cr 675	0

Reconciliation of Final Approved Budget

£'000

Original Budget 2018/19

39,281

Carry Forward Requests approved from 2017/18

Green Garden Waste Direct Debits	120
Highway Pothole Grant 2017/18 - Income	Cr 113
Highway Pothole Grant 2017/18 - Expenditure	113
Management and Contract Support	80
Parks Infrastructure works	80

Central Contingency Adjustments

Waste Disposal	Cr 490
Parking - Bus lane contraventions	Cr 300
PYE savings relating to award of Highways maintenance contract	Cr 169
Additional Income & Saving opportunity (AMEY)	Cr 181
Merit Award	25

Other

Inflation adjustment	56
R&M - Fire Risk Assessments & Cyclical Maintenance	45

Final Approved Budget for 2018/19

38,547

Memorandum Items

Insurance	Cr 8
IAS19 (FRS17)	616
Past service cost	Cr 47
Repairs & Maintenance	Cr 188
Capital Charges 5802	316
Deferred Charges (REFCUS) 5804	Cr 73
Impairment 5806	Cr 1,065
Gov Grants Deferred 5807	Cr 560
Rent Income	17
Excluded Recharges	158
Finance Lease: Payment	Cr 657
Finance Lease: Finance cost	Cr 213

Reported Latest Approved Budget for 2018/19

36,843

REASONS FOR VARIATIONS

1. Parks and Green Spaces Cr £33k

Overall Parks and Green Spaces has a net underspend of £33k. £24k additional income was received from floral bedding sponsorship and there was a minor underspend of £9k across supplies and services.

2. Street Regulation and Enforcement incl markets Dr £11k

Additional enforcement work was carried out by Ward Security totalling £63k to partly cover for in-year vacancies (Cr £38k). Other minor underspends totalled £14k.

3. Waste Services Cr £619k

Although overall tonnage was only 200 tonnes below the current budgeted tonnage, over 2,400 more tonnes were recycled which has resulted in reduced costs of £171k. However, disposal costs of £77k were incurred for the removal and disposal of some dumped trailers during the year, so the net underspend for waste disposal was £94k.

Recycling income was £71k above budget. This was due to an increase in the market price of textiles and iron, as well as an increase in paper tonnage (687 tonnes).

Across the garden waste collection services, there was an underspend of £326k. This included an underspend of £232k related to a lower use of the sixth vehicle during the year, partly offset by additional expenditure of £21k mainly from the purchase of extra containers. A net increase in the number of wheelie bin customers in 2018/19 has resulted in extra income of £115k.

A reduction in tonnage received over the weighbridge from trade customers during the year has resulted in a reduction in income of £76k from trade waste delivered.

Within trade waste collection there was a shortfall of income of £53k, mainly due to a higher customer dropout compared to the level expected.

During the year several outstanding invoices for trade waste collection services were settled and therefore an amount of £70k has been released from the provision for bad debts.

There was a net underspend of £70k on the refuse collection contract, mainly due to a lower volume than expected on the variable elements including collection of trade bulk containers, clinical waste collections and emptying of recycling banks. This has offset the £31k cost for purchasing additional trade waste, domestic and recycling containers.

Following agreement of the 2017/18 and 2018/19 level of defaults, a total credit of £80k was received.

The Coney Hill contract has underspent by £18k as the cost of upgrading the monitoring system was lower than expected.

Additional works valued at £93k have been carried out during the mobilisation of the new Environment contract including upgrades on Confirm, the weighbridge system and relocating various teams within the depot.

Other minor variations across the waste service total Cr £23k.

A request is being made to the Executive to carry forward the £120k set aside for developing a direct debit system for the Green Garden Waste (GGW) service. Due to the mobilisation of the Environmental contracts, the direct debit system has been delayed and the work required to enable direct debit payments to be taken for the GGW service will not start until April 2019.

Summary of overall variations within Waste Services

	£'000
Waste disposal costs	Cr 94
Additional income from sale of recycling materials	Cr 71
Green Garden waste service	Cr 326
Shortfall in trade waste delivered income	76
Trade waste collected income	53
Release of bad debt provision for trade waste collected income	Cr 70
Coney Hill monitoring system	Cr 18
Underspend on refuse collection contract	Cr 70
Defaults received for the waste contract	Cr 80
Purchase of waste containers	31
Mobilisation of the Environment contract	93
Other minor underspends	Cr 23
C/f of underspend re. GGW system to accept direct debit payments	Cr 120
Total variation for Waste Services	<u>Cr 619</u>

4. Street Environment Cr £120k

A reduction on the amount of reactive graffiti removal works required during the year has resulted in an underspend of £80k.

Due to a dry summer and a lower volume of cyclical cleansing than expected, there was £97k underspend on the gully and soakaways cleaning contracts. This was used to fund £73k additional works on fly tipping campaigns and enforcement, instead of drawing down funding from the earmarked reserve set aside for Members' Initiatives.

Other minor variances totalled Cr £16k.

Summary of overall variations within Street Environment:

	£'000
Reduction in reactive graffiti removal works	Cr 80
Underspend on gully and soakaways cleaning contracts	Cr 97
Additional works on fly tipping	73
Other minor variances	Cr 16
Total variation for Street Environment	Cr 120

5. Management and Contract Support Cr £119k

Part year vacancies have resulted in £101k underspend on the staffing budget.

On 21 May 2018, Members approved a carry forward request of £80k from 2017/18 to fund additional administrative support during the evaluation and mobilisation of the new Environment contract. £50k of which was allocated for the provision of technical support and specialist advice, however only costs of £15k were incurred which has resulted in an underspend of £35k.

There was a minor overspend of £17k across supplies and services.

6. Tree Dr £52k

The arboriculture service budget has overspent by £52k due to callouts and health and safety remedial works associated with the stormy weather.

7. Traffic & Road Safety Cr £96k

Additional income of £102k was received from road closure charges, mainly due to additional applications from Utility companies to carry out infrastructure works. It should be noted that it is not expected that the Utilities companies will submit this volume of applications in future years. Other minor variations totalled Dr £6k.

Parking**8. Income from Bus Lane Contraventions Cr £244k**

There was a net surplus of £146k on the redeployable automated cameras in bus lanes for 2018/19 due to a higher number of contraventions than expected. It is unlikely that this level of activity will continue in 2019/20, as it is anticipated that the number of contraventions in bus lanes will reduce in the future due to increased compliance. An additional £98k income was received from PCNs issued in previous years.

9. Off/On Street Car Parking Dr £121k

Overall there was a net overspend of £121k for Off and On Street parking.

There was a deficit of £165k for Off and On Street Parking income. This was mainly due to a continued downward trend in parking usage, in particular for the on street bays & multi-storey car parks. This deficit included the delay with the roll out of additional On Street Parking bays.

Additional income of £42k was received from cashless parking fees, as the use of this service continues to grow.

During 2018/19, £7k defaults were applied to the contract relating to the management of On & Off Street Parking.

£19k extra income was received from the suspension of existing parking restrictions. This partly offset other minor overspends across the service totalling £24k.

The table below summarises the variations for Off and On Street Car parking: -

Summary of variations within Off/On Street Car Parking	OFF ST £'000	ON ST £'000	Total £'000
Off/On Street Car Parking income	32	133	165
Less additional Ring Go fees	Cr 15	Cr 27	Cr 42
Level of Defaults applied to contract	Cr 5	Cr 2	Cr 7
Bay Suspensions		Cr 19	Cr 19
Other minor variations	15	9	24
Total variations within Off/On Street Parking	27	94	121

10. Permit Parking Cr £15k

There was a minor underspend of £15k across Permit Parking, mainly due to additional permit income,. This is a slightly lower increase than previously projected in December 2018.

11. Disabled Parking Cr £16k

The variation of £16k for Disabled Parking was mainly due to an underspend on costs of issuing / renewal of Blue Badges.

12. Car Parking Enforcement Dr £211k

There was a net deficit of £406k from PCNs issued by APCOA in 2018/19. This was due to a reduction in contraventions, issues related to the deployment plan and policy changes to the shared use bays in zone A of Bromley Town Centre, as well as a growing number of ad hoc enforcement requests from residents using the online form.

A reduction in contraventions from CCTV enforcement cameras around Schools has resulted in a shortfall of income of £20k.

Defaults applied to the Enforcement contract totalled £113k, which partly offsets the income variation. £40k of this amount related to defaults for 2017/18.

There was an underspend of £24k on credit card commission and debt collection costs, as a direct result of the reduction of contraventions .

Additional income of £48k was received from PCNs issued in previous years.

Other minor underspend across supplies and services totalled £30k.

Summary of variations within Car Parking Enforcement:	£'000
PCNs issued by wardens	406
PCNs issued from CCTV enforcement camera	20
APCOA Enforcement defaults	Cr 113
Credit card commission and Debt collection costs	Cr 24
Additional income from PCNs issued in previous years	Cr 48
Other net variations	Cr 30
Total variations within Car Parking Enforcement	211

13. Parking Shared Services Cr £137k

There was a net underspend of £137k on the Parking Shared Service. £17k of which was due to the recent review of the split of costs based on activity levels between LB Bromley and LB Bexley. The remaining underspend of £120k was mainly due to part year vacancies.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 244
Off Street Car Parking	27
On Street Car Parking	94
Permit Parking	Cr 15
Disabled Parking	Cr 16
Car Parking Enforcement	211
Parking Shared Services	Cr 137
Total variation for Parking	Cr 80

14. Highways (Including London Permit Scheme) Cr £346k

Overall the Highways service has a net underspend of £346k for 2018/19. In year staff vacancies have led to an underspend of £33k on staffing budgets and there was a £20k underspend on car allowances and leased cars.

Within NRSWA income, there was a net surplus of £59k, mainly due to an increase in the number Section 74 Notices.

As a result of successful debt recovery processes, income was received from some outstanding debts relating to NR&SWA and therefore £36k was released from the bad debt provision.

The winter service budgets were £184k underspent, essentially due to the relatively mild winter and lack of snowfall. In addition, the salt budget for snow friends has underspent by £28k.

There was an overspend of £63k on the Street Lighting electricity budget. This was due to a combination of increased energy tariffs and additional usage. The extra usage was largely the result of the LED street lights being temporarily on during the daytime in March 19, as the company controlling the LED system went into administration.

A total of £19k was received from vehicles that were sold at commercial vehicle auctions during the year.

Other minor variations across the service totalled Cr £30k.

Summary of Variations within Highways	£'000
Staff vacancies	Cr 33
Car allowances and leased cars	Cr 20
Additional NR&SWA income	Cr 59
Release of bad debt provision	Cr 36
Underspend on Winter service budget	Cr 184
Snow friends materials	Cr 28
Additional electricity cost on Street lighting	63
Receipts from commercial vehicle auctions	Cr 19
Other minor underspend	Cr 30
Total variations within Highways:	Cr 346

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.

£315.8k to procure additional traffic enforcement CCTV cameras around schools and 5 years extension on the contract for the provision of software maintenance licence for CCTV traffic Enforcement cameras; £668k cumulative contract value.

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 & Enforcement Budget Monitoring Summary

2017/18 Actuals £'000	Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
138	Public Protection Community Safety	151	152	128	Cr 24	1	Cr 12	0
96	Emergency Planning	115	121	95	Cr 26	2	Cr 27	0
447	Mortuary & Coroners Service	485	485	534	49	3	50	0
1,265	Public Protection	1,673	1,725	1,480	Cr 245	4	Cr 230	0
1,946	TOTAL CONTROLLABLE	2,424	2,483	2,237	Cr 246		Cr 219	0
250	TOTAL NON CONTROLLABLE	11	281	281	0		0	0
391	TOTAL EXCLUDED RECHARGES	428	492	492	0		0	0
2,587	PORTFOLIO TOTAL	2,863	3,256	3,010	Cr 246		Cr 219	0

Reconciliation of Final Approved Budget £'000

Original Budget 2018/19 2,863

Carry Forward Requests approved from 2017/18

Asset Recovery Incentivisation Scheme - Income	Cr	48
Asset Recovery Incentivisation Scheme - Expenditure		48
Additional ECS resources - delay in recruitment		67

Other

Transfer of Health & Safety post to HR	Cr	13
Merit Award		5

Final Approved Budget for 2018/19 2,922

Memorandum Items

Insurance	Cr	1
IAS19 (FRS17)		293
Past service cost	Cr	23
Capital Charges 5802		1
Excluded Recharges		64

Reported Latest Approved Budget for 2018/19 3,256

REASONS FOR VARIATIONS

1. Community Safety Cr £24k

Overall there was an underspend of £24k across the Community Safety budgets, mainly due to part year vacancies.

2. Emergency Planning Cr £26k

Part year vacancies have resulted in an underspend of £26k.

3. Mortuary and Coroners Service Dr £49k

At the end of 2017/18 a provision was made for the outstanding quarter 4 payment for the Coroners service, based on information provided by LB Croydon who administer the Consortium service. The actual cost for quarter 4 was £104k, resulting in a balance of £55k of the provision which was no longer required.

Based on the latest cost information provided by LB Croydon, the core cost for Bromley for 2018/19 was overspent by £22k. This was mainly due to additional security costs and I.T. upgrades. There were also additional one-off costs of £82k, due to large inquests. This included additional counsel and legal costs for the Butler case, Jasper case, and Cooper McDermott case.

Summary of variations on Mortuary and Coroners Service

	£'000
Release of provision no longer required on Coroners	Cr 55
Overspend on Coroners Service (incl. large inquests)	104
Total variations on Mortuary and Coroners Service	<u>49</u>

4. Public Protection Cr £245k

In May 2018, Members approved a carry forward request of £67k relating to additional resources for the temporary fixed term Food Safety officers. Delays with recruitment and part year vacancies have resulted in a further underspend of £96k. In total, £163k will need to be carried forward to 2019/20 and 2020/21 to enable the temporary posts to be funded for the remaining agreed term.

In year staff vacancies for permanent staff have led to an underspend of £28k and there was a £22k underspend on car allowance and lease cars. This was partly offset by £37k for works on Food Safety 'Pay as you go' inspections.

Across Public Protection, there was an overspend of £38k on staff training. This included additional training courses on Advanced Certificate in Investigative Practice (ACIP), to ensure that all investigations are of a consistent high standard.

During closing of the accounts for 2017/18, a provision was made for the potential VAT liabilities for Works in default. As some of the cases that relate to a statutory notice were non Vatable, £25k of the provision was no longer required.

Additional income of £65k was received, mainly on licence fees and licences relating to Homes in Multiple Occupation.

In 2017/18 the Council was awarded a sum of £144.4k from the Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme, and £59.8k of this sum was allocated to the Trading Standard Service. On 28th March 2018, Executive approved the request to carry forward the balance of £48.1k on both the income and expenditure budget from 2017/18 for works that were planned to be undertaken by Trading Standards in 2018/19, on behalf of the Planning sections. £28k of the works that were undertaken during 2018/19 were funded from underspends elsewhere in the service, enabling the funding to be carried forward for another year. A carry forward request for both the £48.1k income and expenditure budget will be submitted to the Executive.

Other various minor underspends across supplies and services totalled £17k.

Summary of variations on Public Protection

	£'000
Fixed term Food Safety officers (c/f request)	Cr 163
Staff vacancies for permanent staff	Cr 28
Underspend on lease car and car allowance	Cr 22
Food Safety 'Pay as you go' inspections	37
Additional staff training costs	38
Release of provision no longer required on VAT liabilities	Cr 25
Surplus of income licences	Cr 65
Other minor variations	Cr 17
Total variations on Public Protection	<u>Cr 245</u>

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning 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 over £50k 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, Recreation & Housing Budget Monitoring Summary

2017/18 Actuals	Division Service Areas	2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT							
	Planning							
Cr 7	Building Control	82	81	Cr 11	Cr 92	1	Cr 83	0
Cr 140	Land Charges	Cr 126	Cr 124	Cr 127	Cr 3	2	Cr 1	0
764	Planning	736	724	844	120	3	162	0
850	Renewal	801	932	733	Cr 199	4	Cr 226	0
1,467		1,493	1,613	1,439	Cr 174		Cr 148	0
	Recreation							
1,686	Culture	1,786	1,908	1,923	15	5	10	0
5,784	Libraries	5,030	4,881	4,859	Cr 22	6	Cr 13	0
219	Town Centre Management & Business Support	189	170	132	Cr 38	7	Cr 8	0
7,689		7,005	6,959	6,914	Cr 45		Cr 11	0
	ECS - Housing							
194	Housing Improvement	203	203	188	Cr 15	8	Cr 17	0
194		203	203	188	Cr 15		Cr 17	0
9,350	Total Controllable ECS DEPT	8,701	8,775	8,541	Cr 234		Cr 176	0
Cr 814	TOTAL NON CONTROLLABLE	2,542	1,421	1,421	0		7	0
2,466	TOTAL EXCLUDED RECHARGES	1,857	1,978	1,978	0		0	0
11,002	Total ECS DEPARTMENT	13,100	12,174	11,940	Cr 234		Cr 169	0
	EDUCATION, CARE & HEALTH SERVICES DEPARTMENT							
	Operational Housing							
913	Supporting People	1,013	1,013	939	Cr 74	9	Cr 74	Cr 94
8,074	Housing Needs	6,241	8,733	8,784	51	10	33	521
0	Enabling Activities	Cr 1	Cr 1	0	1		0	0
Cr 1,838	Housing Benefits	Cr 1,984	Cr 1,484	Cr 1,149	335	11	281	0
7,149	Total Controllable ECHS DEPT	5,269	8,261	8,574	313		240	427
789	TOTAL NON CONTROLLABLE	286	423	423	0		0	0
3,209	TOTAL EXCLUDED RECHARGES	3,675	3,677	3,677	0		0	0
11,147	Total ECHS DEPARTMENT	9,230	12,361	12,674	313		240	427
22,149	PORTFOLIO TOTAL	22,330	24,535	24,614	79		71	427

Reconciliation of Final Approved Budget

£'000

Original budget 2018/19

13,943

Transfer of Housing to Renewal, Recreation & Housing Portfolio

8,387

2018/19 Revised Original Budget

22,330

Carry Forward Requests approved from 2017/18

Implementing Welfare Reform Changes - Grant Expenditure		55
Implementing Welfare Reform Changes - Grant Income	Cr	55
Flexible Homeless Grant - Expenditure		83
Flexible Homeless Grant - Income	Cr	83
Fire Safety Grant - Expenditure		44
Fire Safety Grant - Income	Cr	44
Planning Strategy & Projects - Custom Build Grant - Expenditure		30
Planning Strategy & Projects - Custom Build Grant - Income	Cr	30
Asset Recovery Incentivisation Scheme - Expenditure		85
Asset Recovery Incentivisation Scheme - Income	Cr	85
New Homes Bonus		208

Central Contingency Adjustments

Beckenham and Penge BID	Cr	44
National Increase in Planning Fee - Expenditure		240
National Increase in Planning Fee - Income	Cr	240
Additional Income & Saving opportunity (AMEY)	Cr	110
Increase in Cost of Homelessness/Impact of Welfare Reforms		1,739
Homelessness Reduction Act		750
Additional Homelessness Prevention Grant Allocation		89
Additional Homelessness Prevention Grant Allocation	Cr	89
Universal Credit - Claimant Fault Overpayment Recoveries		500

Other

R&M - Fire Risk Assessments & Cyclical Maintenance	Cr	21
Customer Relations Officer post	Cr	4
Strategic and Business Support Services restructure	Cr	3
Merit Award		27

Final Approved Budget for 2018/19**25,372****Memorandum Items**

Insurance	Cr	60
IAS19 (FRS17)		839
Past service cost	Cr	65
Repairs & Maintenance		292
Capital Charges 5802	Cr	1,440
Deferred Charges (REFCUS) 5804		3,898
Impairment 5806	Cr	3,493
Gov Grants Deferred 5807	Cr	938
Rent Income		4
Excluded Recharges		126

24,535

REASONS FOR VARIATIONS

1. Building Control Cr £92k

Within the chargeable account for Building Control, there was an income deficit of £164k. This was partly offset by an underspend within salaries of £150k arising from reduced hours being worked and vacancies. Other minor underspends total £4k. In accordance with Building Account Regulations, the net deficit for 2018/19 of £10k has been carried forward into 2019/20 via the earmarked reserve for the Building Control Charging Account. The cumulative balance on this account is therefore now £192k, taking into consideration the opening balance of £202k at the start of 2018/19.

Within the non-chargeable service, as a result of delays in appointing to vacant posts, there was an underspend of £84k on staffing and an minor underspend of £8k on supplies and services.

2. Land Charges Cr £3k

There was an income deficit of £34k within the Charging Account. This was partly offset by underspends on staffing and running expenses of £18k. The net deficit of £16k has been carried forward into 2019/20 via the earmarked reserve for the Land Charges Account. The cumulative balance on this account is now a deficit of £26k, taking into consideration the opening balance of a £10k deficit at the start of 2018/19. To address this, officers have implemented a price increase for 2019/20.

There was an underspend of £3k on the Non-Chargeable budget mainly due to part year vacancies.

3. Planning Dr £120k

Income from non-major planning applications was £160k under budget for 2018/19. For information, actual income received in 2018/19 was £30k lower compared to 2017/18. As the housing target is set to increase under the new London plan, it is likely that the smaller developers were delaying submitting applications until the plan comes into effect in 2019/20.

For major applications, £560k was received in 2018/19, which was £260k above budget. Actual income was £204k more than that received for 2017/18.

Income from pre-applications was £27k below budget for 2018/19. This was due to a combination of reduced fees and a reduction in the number of schemes submitted. If the income continues to drop, officers will have to consider changing the pricing structure.

There was a net overspend of £194k for the cost of consultancy and legal work required for planning appeals, mainly relating to developments at Westmoreland Road, St Hugh's Playing field, Bullers Wood School and Maybrey. This included advice from agricultural, ecological, minerals and waste consultants, where there was no in-house expertise with the necessary knowledge and qualifications. If the judgements are found in favour of the Council, then some of the costs incurred for these appeals may be recovered.

Other net variations total Dr £1k across the planning service.

Summary of variations within Planning:	£'000
Shortfall of income from non-major applications	160
Surplus of income from major applications	Cr 260
Deficit of income from pre-application meetings	27
Consultancy costs on major appeals	194
Other minor variations	Cr 1
Total variation for Planning	<u>120</u>

In 2017/18 the Council was awarded a sum of £144.4k from the Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme, and £84.6k of this sum was allocated to the Planning Service. Both the income and expenditure budget was carried forward from 2017/18 in order to carry out works on asset recovery, crime reduction and community projects. The cost of the works undertaken during 2018/19 have been funded from underspends elsewhere in the Planning Division, enabling the funding to be carried forward for another year. A carry forward request for both the £84.6k income and expenditure budget will be submitted to the Executive.

4. Renewal Cr £199k

Part year vacancies have resulted in a £172k underspend on staffing. This has been used to offset extra costs of £39k on consultancy and legal fees for the public enquiries, following the submission of the London Plan, and £28k for Local Plan Implementations.

There was an underspend of £94k on the Town Centre Development Works funded by the New Homes Bonus. The GLA have agreed the re-profile of spend and therefore a request will be submitted to the Executive to carry forward the NHB unspent balance, in order to complete the specific projects.

£30k Custom Build grant was carried forward from 2017/18 due to late notifications from DCLG, as approved by Executive on 21 May 2018. In March 2019, notification was received from DCLG that the Council had been awarded an additional £30k Custom Build grant. The majority of the work funded from these grants will follow on from the Local Plan. Due to a lengthy public examination including legal challenges, the plan was eventually adopted much later than expected in January 2019, which resulted in the works being delayed. A request will be submitted to the Executive to carry forward these grants in order to carry out the works in the next financial year.

Summary of variations within Renewal:	£'000
Staff vacancies	Cr 172
Consultancy and legal fees for public enquiries	39
Additional cost for Local Plan implementation	28
Underspend on projects funded by NHB (carry forward request)	Cr 94
Total variation for Renewal	Cr 199

5. Culture Dr £15k

Overall Culture services have a net overspend of £15k. There was an underspend of £26k on staffing as a result of part year vacancies.

In line with the December 2017 RPIX, 4.2% inflation was applied to the MyTime contract price, 2.2% higher than the 2% inflation built into the 2018/19 budget. This resulted in an overspend of £18k, which has been offset by underspends elsewhere within the Recreation division.

Additional costs of £30k were incurred for surveys, valuation and legal works relating to the Leisure service lease proposal with Mytime Active. Other minor underspends total £7k.

Summary of variations within Culture:	£'000
Staff vacancies	Cr 26
Inflation on Mytime contract	18
Additional costs relating to Leisure service lease proposal	30
Other minor net underspends	Cr 7
Total variation for Culture	15

6. Libraries Cr £22k

The Library service has a net underspend of £22k. This includes a £44k underspend on staffing due to flexible retirement, which was partly offset by an overspend of £22k across premises and supplies and services budgets. This was mainly as a result of final payments made relating to serving the notice period on terminating the internet and phone lines.

7. Town Centre Management & Business Support Cr £38k

There was an overall £38k underspend for Town Centre Management & Business Support.

The Penge and Orpington town centre schemes were underspend by £23k. Both of these projects are funded from the New Home Bonus, and the GLA have agreed the re-profile of spend. A request will be submitted to Executive for approval to carry this amount forward, in order to complete the specific projects.

In addition, the £22k underspend on staffing due to a vacancy was partly offset by an £7k overspend on supplies and services.

8. Housing Improvement Cr £15k

Part year vacancies have resulted in an underspend of £16k, and other minor variations total Dr £1k.

9. Supporting People Cr £74k

There is an underspend of £74k in the Supporting People budget as a result of contract negotiation savings.

10. Housing Needs Dr £51k

There is a final overspend of £163k in Temporary Accommodation budgets. This is due to higher than expected increase in clients going into nightly paid accommodation together with an increase in the provision for bad debts for rent account income that will not be collected.

In addition, by necessity there has been an increased use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the Housing Benefit subsidy is capped at the January 2011 Local Housing Allowance (LHA) rates, thus often making these placements more costly than those in London, especially when moving and furniture costs are factored in.

At the start of the year the number of clients in Temporary Accommodation was 896. By the end of December that number had risen to 929 - an increase of 33 during the year. This is at an average cost of around £6,650 per property per annum. In addition the proportion of 2 bed Temporary Accommodation properties that are required has been increasing, from just under 35% in December to now just under 37%.

These client figures exclude other schemes like More Homes Bromley, Orchard & Shipman, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these client numbers have been included there are currently over 1,560 clients in Temporary Accommodation.

Offsetting the increased costs of Temporary Accommodation area is an underspend on homelessness prevention work of £156k.

The Travellers budget is overspent by £44k and this is due to one of the sites experiencing high use of utilities and maintenance costs (£27k) due to the site not having meters, and loss of income (£27k) due to particular residents rent arrears. This is being offset by a £10k underspend on staffing due to staff vacancies earlier in the year.

There has been a reduction of income relating to the Choice Based Letting advertising (£27k) due to Housing Associations not requesting to advertise properties on this platform, which has been offset by a reduction in the running costs of £48k. This has given a net underspend for the year of £21k.

The remaining £21k overspend is various staffing and running costs variations.

Summary of overall variations within Housing:

£'000

Temporary Accommodation		99
Increase in Bad Debt Provision		252
Homelessness Prevention	Cr	156
Travellers Sites		44
Furniture Storage	Cr	104
Choice Based Letting	Cr	21
Housing Benefit		147
New Housing System		49
Other Costs		3
Total variation for Housing		313

11. Housing Benefits Dr £335k

Following the end of year review of the Bad Debt Provision, it has been identified that the provisions needed to be increased by £188k more than the budget for the year to cover the increase in unrecoverable benefit. The remaining overspend mainly relates to the overpayment subsidy being lower than budgeted.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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, Commissioning & Contracts Management Portfolio Budget Monitoring Summary

2017/18 Actuals £'000		2018/19 Original Budget £'000	2018/19 Final Approved £'000	2018/19 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
208	Director of Finance & Other	216	220	224	4		Cr 2	0
6,583	Exchequer - Revenue & Benefits	7,137	6,647	6,462	Cr 185	1	Cr 209	0
1,564	Exchequer - Payments & Income	1,623	1,856	1,867	11	2	Cr 16	0
623	Financial Accounting	520	525	407	Cr 118	3	Cr 66	0
1,464	Management Accounting	1,666	1,672	1,528	Cr 144	4	Cr 143	0
706	Audit	700	700	642	Cr 58	5	Cr 3	0
11,148	Total Financial Services Division	11,862	11,620	11,130	Cr 490		Cr 439	0
	CORPORATE SERVICES DIVISION							
4,545	Information Systems & Telephony	4,746	5,219	4,809	Cr 410	6	Cr 330	0
	Legal Services & Democracy							
305	Electoral	353	920	933	13	7	18	0
1,355	Democratic Services	1,419	1,440	1,406	Cr 34	8	Cr 40	0
1,960	Legal Services	1,687	1,861	2,054	193	9	81	70
131	Management and Other (Corporate Services)	178	131	127	Cr 4		1	0
8,296	Total Corporate Services Division	8,383	9,571	9,329	Cr 242		Cr 270	70
	HR AND CUSTOMER SERVICES DIVISION							
1,828	Human Resources	2,056	2,024	1,836	Cr 188	10	Cr 137	0
	Customer Services							
Cr 978	Customer Services Centre	1,022	1,024	1,024	0		6	0
Cr 108	Registration of Births, Deaths & Marriages	Cr 72	Cr 47	Cr 57	Cr 10		0	0
2,698	Total HR & Customer Services Division	3,006	3,001	2,803	Cr 198		Cr 131	0
	COMMISSIONING AND PROCUREMENT DIVISION							
670	Procurement and Data Management	663	520	514	Cr 6		Cr 34	0
820	Commissioning	893	579	583	4		31	0
101	Debt Management System	0	0	0	0		0	0
1,591	Total Commissioning & Procurement Division	1,556	1,099	1,097	Cr 2	11	Cr 3	0
	CHIEF EXECUTIVE'S DIVISION							
125	Comms	128	129	129	0		0	0
684	Management and Other (C. Exec)	726	682	657	Cr 25		Cr 28	0
148	Mayoral	153	153	141	Cr 12		Cr 3	0
957	Total Chief Executive's Division	1,007	964	927	Cr 37	12	Cr 31	0
	CENTRAL ITEMS							
3,047	CDC & Non Distributed Costs (Past Deficit etc.)	3,907	3,907	3,461	Cr 446	13	Cr 388	0
11,197	Concessionary Fares	11,390	11,390	11,374	Cr 16		0	0
38,934	TOTAL CONTROLLABLE CE DEPT	41,111	41,552	40,121	Cr 1,431		Cr 1,262	70
Cr 3,037	TOTAL NON CONTROLLABLE	1,015	Cr 636	Cr 636	0		0	0
Cr 15,386	TOTAL EXCLUDED RECHARGES	Cr 16,478	Cr 16,373	Cr 16,373	0		0	0
20,511	TOTAL CE DEPARTMENT	25,648	24,543	23,112	Cr 1,431		Cr 1,262	70
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
2,581	Admin Buildings & Facilities Support	2,670	2,424	2,247	Cr 177	14	Cr 85	0
123	Investment & Non-Operational Property	299	663	604	Cr 59	15	Cr 99	0
1,086	Strategic & Operational Property Services	1,122	1,114	1,091	Cr 23	16	Cr 1	0
295	TFM Client Monitoring Team	365	548	458	Cr 90	17	Cr 20	0
Cr 688	Other Rental Income - Other Portfolios	Cr 778	Cr 626	Cr 658	Cr 32	18	Cr 25	0
1,978	Repairs & Maintenance (All LBB)	2,008	2,094	2,094	0		0	0
5,375	TOTAL CONTROLLABLE ECS DEPT	5,686	6,217	5,836	Cr 381		Cr 230	0
Cr 36	TOTAL NON CONTROLLABLE	390	1,385	1,385	0		0	0
Cr 3,375	TOTAL EXCLUDED RECHARGES	Cr 3,453	Cr 3,816	Cr 3,816	0		0	0
Cr 1,568	Less: R&M allocated across other Portfolios	Cr 1,388	Cr 1,552	Cr 1,552	0		0	0
688	Less: Rent allocated across other Portfolios	778	658	658	0		25	0

1,084	TOTAL ECS DEPARTMENT	2,013	2,892	2,511	Cr 381	Cr 205	0
21,595	TOTAL RESOURCES PORTFOLIO	27,661	27,435	25,623	Cr 1,812	Cr 1,467	70

Reconciliation of Final Approved Budget		£'000
Original budget 2018/19		27,661
Carry Forward Requests approved from 2017/18		
Contract Register database		50
Debt Management System- Transformation Grant - Expenditure		38
Debt Management System- Transformation Grant - Income	Cr	38
Exchequer- Revenue & Benefits Costs for retendering the Exchequer contract		91
Biggin Hill Airport- Noise Action Plan		24
Information Systems & Telephony GDPR		426
Legal Staffing costs GDPR		52
Merit Awards		28
Exchequer- Revenue & Benefits - Upgrade of Academy System		98
Repairs and Maintenance		163
Democratic Services- IT equipment for new Council Members		20
Central Contingency Adjustments		
R&M - Fire Risk Assessments & Cyclical Maintenance	Cr	47
Yeoman House- Expenditure	Cr	94
Cost of Local Elections		565
Exchequer contract saving re services transferred to parking contractor	Cr	60
Apprenticeship Levy	Cr	130
PYE Savings from Registrar's restructure	Cr	18
Additional savings & income (Amey)	Cr	85
Microsoft Enterprise licenses (as per Nov 2018 Exec)		92
Merit Awards 2018/19		65
Additional in year grant funding returned to central contingency	Cr	365
Other Budget Movements		
Yeoman House rent PYE for ECHS	Cr	53
R&M Glades Expenditure		246
R&M Walnuts Expenditure		119
Moving Admin Officer post to ECHS	Cr	20
Transfer of Health & Safety post from PPE		13
Transfer of resources from ECHS to Liberata contract budget		28
Final Approved Budget for 2018/19		28,869
Memorandum Items		
Insurance	Cr	21
Finance Lease		213
IAS19		714
Past Service Cost		507
Employee Pension Contributions	Cr	2,610
Capital Charges	Cr	214
Deferred Charges	Cr	219
Impairment		1,232
Financing & Impairment Gain	Cr	6,538
Financing & Impairment Loss		6,280
Employee Pension Contributions	Cr	779
Rent Allocated to other portfolios		32
R&M Allocated to other portfolios	Cr	31
	Cr	1,434
		27,435

Reasons of Variations

FINANCIAL SERVICES DIVISION

1. Exchequer - Revenues and Benefits and Payments & Income Cr £174k

There was an underspend across this area of £174k in total. This was largely due to £133k underspend of staffing costs due to part year vacancies across the two areas.

There are two items requested to be carried forward relating to works not completed in 2018/19. £98k relates to the upgrade of the Academy System and a further £91k for the retendering of the Exchequer contract. Both are due to be undertaken in 2019/20.

There have been further underspends against the Incentive Payment Scheme of £67k and the Discretionary Hardship fund of £50k.

These amounts have been partially offset by a bad debt provision of £200k, relating to aged debt of Council Tax.

Other minor variations total Dr £65k across the areas.

Summary of variations within Exchequer (Revs & Benefits)	£'000
Staff vacancies	Cr 133
Upgrade of Academy System c/f	Cr 98
Retendering of Exchequer Contract c/f	Cr 91
Underspend on Incentive Scheme payments	Cr 67
Discretionary Hardship Fund	Cr 50
Bad Debt Provision	200
Other minor variations	65
Total Variations within Exchequer (Revenue & Benefits)	Cr 174

2. Financial Accounting Cr £118k

£81k of this underspend was the result of part year vacancies, £23k was from savings on Bank Charges and there were other minor variations of £14k.

3. Management Accounting Cr £144k

Staffing costs were £158k underspent due to various part and full year vacancies throughout the year, some of which have now been filled. This has been partly offset by the cessation of the previously achieved income relating to the Liberata contract for schools of £42k, and other minor net underspends of £28k.

4. Audit Cr £58k

£42k relates to the reduced rates on the external audit fee. The Public Sector Audit Appointment reduced 2018/19 fee scales by 23% for all opted-in bodies compared with 2017/18 fees. Other net variations across the service total Cr £16k mainly as a result of a part year vacancy which has now been filled.

CORPORATE SERVICES DIVISION

5. Information Systems & Telephony Cr £410k

Overall there was an underspend of £410k across the IS & T Service.

In December 2017 the Executive approved funding for GDPR compliance work, including 'one-off' costs of £495k. In May 2018, Members approved a carry forward sum of £426k from the underspend on this work into 2018/19. Due to delays in the recruitment of temporary GDPR staff in 2018/19 there is an underspend of £171k, which will need to be carried forward to 2019/20 to fund these costs up to the agreed 18 months fixed term. In addition to this, £140k of the specific funding for GDPR system work will need to be carried forward to 2019/20 to enable the work to be completed. A request will be submitted to the Executive for approval to carry forward £311k for GDPR works.

In addition to this, part year vacancies of permanent staff has led to a net underspend £75k.

The variable element of the B.T contract was underspent by £42k due to a lower level of service desk activities, hardware support levels, and service requests raised. Other minor variations across the service totalled Dr £18k.

Summary of variations within IS & T	£000
Staff vacancies for temporary GDPR staff (c/f request)	Cr 171
GDPR system work (c/f request)	Cr 140
Staff vacancies for permanent staff	Cr 75
Variable element of BT contract	Cr 42

Other minor variations
Total variations within IS & T

18
Cr 410

6. Electoral Dr £13k

This overspend was due to the extra costs incurred for a local council by-election held in November 2018.

7. Democratic Services Cr £34k

Additional spend of £32k on IT equipment for new Members, has been more than offset by underspends on Members allowances of £48k, and other variations across the service totalling Cr £18k.

8. Legal Services Dr £193k

Counsel fees and court expenses overspent by £307k due to the high volume of cases issued during this financial year. £190k relates to child care cases received in 2018/19, which has again exceeded the average annual expectation, however the numbers are reducing year on year and are expected to stabilise. £78k of the overspend was due to Planning relating to a challenge to the Local Plan and other planning enquiries. The remaining £39k related to additional Commercial cases.

Process serving and transcription costs also overspent by £16k, as a result of the higher number of cases outlined above.

Additional one-off income of £49k was received, mostly relating to legal work undertaken in facilitating the sale of the Old Town Hall.

There was an underspend in staffing costs of £87k due to part year vacancies, which have now been filled.

Other minor underspends totalled £12k.

Summary of variations within Legal Services

	£'000
Counsel fees & court costs	307
Process serving & transcription costs	16
Purchase of IT Equipment & Software	18
Additional Income	Cr 49
Staffing	Cr 87
Other minor underspends	Cr 12
Total Variations within Legal Services	<u>193</u>

HR DIVISION

9. Human Resources Cr £188k

Overall there was a total underspend of £188k across HR. Previously £140k was set aside for GDPR compliance work with £110k carried forward from 2017/18. As noted in the March 2019 Executive report, there was a significant reduction in costs, as Officers have been able to enhance an existing internal system following market testing of all options, rather than purchase a bespoke system. This has led to an underspend of £125k. As a result of this change, there is a delay in the roll out of the project, and £20k is requested to be carried forward in relation to the HR document management system, to cover the cost of scanning and indexing of the current hard copy files needed as part of the implementation, and to secure destruction of hard copy files.

Additional income of £50k has been generated from advertisement on the Bromley Website for 2018/19. There was a new web recruitment system in place from January 2019 which allowed greater functionality, and contracts and schedules are now generated online. Extra income has been built into the 2019/20 budget.

There is a £24k underspend in relation to the Merited Rewards set aside to be used by Departmental Representatives. This is requested to be carried forward and used in 2019/20 for works towards the 'Dream Organisation'.

Other minor variations totals Dr £11k.

Summary of variations within Human Resources

	£000
GDPR compliance - utilisation of existing HR system	Cr 125
Advertising income	Cr 50
Merited Reward - Departmental Representatives	Cr 24
Other Minor Variations	11
Total Variations within Human Resources	<u>Cr 188</u>

10. Registration of Births, Deaths & Marriages Cr £10k

Additional income of £69k was received during the year from an increase in the volume of customers, £51k of which has been used to fund a refurbishment of the area used for weddings. There were other net overspends of £8k within the service area.

CHIEF EXECUTIVE'S DIVISION

11. Management and Other (C. Exec) Cr £25k

This variance is made up of a £24k underspend in relation to the Biggin Hill Airport Project and other minor variations of Cr £1k. The Chief Officer has advised that a carry forward request will be made for this balance, as there is a potential new application which will require funding in 2019/20.

12. Mayoral and Civic Hospitality Cr £12k

£7k relates to lower costs for hospitality within the year and other minor underspends totalling £5k.

CENTRAL ITEMS

13. CDC & Non Distributed Costs Cr £446k

This mainly relates to the number and cost of ill-health retirements, and costs arising from the early release of pension on redundancy being lower than expected. At this stage it is not possible to predict whether this is a one-off reduction or likely to impact on future years.

ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT

14. Admin Buildings & Facilities Support Cr £177k

The MFD contract has underspent by £130k and additional income of £23k has been generated from staff car parking charges. Other various underspends total £24k.

15. Investment & Non-Operational Property (expenditure) Cr £59k

Additional business rates of £54k have been incurred for 54 Market Square, following the vacation of Argos from the property. This has been more than offset by savings of £90k on the business rates and utility costs of Exchequer House, following its vacation and subsequent sale. The budgets in 2019/20 have been reduced to reflect this saving. In addition there were various net underspends across the other surplus and sundry properties totalling £23k.

Summary of variations within Investment & Non-Operational Property	£'000
Business rates for 54 Market Square	54
Business rates & utility costs for Exchequer House	Cr 90
Various net underspends across the other surplus & sundry properties	Cr 23
Total Variations within Investment & Non-Operational Property	Cr 59

16. Strategic & Operational Property Services Cr £23k

The £23k underspend within this area was mainly due to additional income from miscellaneous fees & charges.

17. TFM Client Monitoring Team Cr £90k

This variance is made up of a refund of £50k from NPower received in the final quarter of the year, a £23k underspend on staffing, due to the utilities manager post being filled late in the financial year by an agency worker at a lower cost. There were also other minor underspends within Supplies & Services totalling £17k.

18. Other Rental Income - Other Portfolios - Cr £32k

Additional income from the Bromley Youth Music (£15k) and Services for Elderly People and Mental Health Needs (£39k), which has been partially offset by other deficits of £22k, primarily the income projected for Parks.

Summary of variations within Other Rental Income - Other Portfolios	£000
Bromley Youth Music	Cr 15
Services for Elderly People & Mental Health Needs	Cr 39
Other income deficits, mainly from parks	22
Total variations within Other Rental Income - Other Portfolios	Cr 32

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 have been actioned:

1) Award of contract for a Learning Management System with Learning Nexus for up to 4 years. Value of cumulative contract up to £78k including £2k initial set up and £19k per annum ongoing costs.

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 there have been no virements actioned.

Allocation of Contingency Provision for 2018/19

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision	Provisional request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year		
	£	£	£	£	£	£	£
General							
Provision for Unallocated Inflation	4,284,000	206,000		0	206,000	Cr 4,078,000	
Increase in Cost of Homelessness/Impact of Welfare Reforms	3,396,000	1,739,000		0	1,739,000	Cr 1,657,000	
General Provision for Risk/Uncertainty	2,219,000			0	0	Cr 2,219,000	
Operational Building Maintenance & Planned Programme:							
Fire Risk Assessments & Cyclical Maintenance		86,000		0	86,000	(1) 86,000	
Yeoman House - Part Year Saving		Cr 44,000		0	Cr 44,000	Cr 44,000	
Provision for Risk/Uncertainty Relating to Volume & Cost Pressures	2,182,000			0	0	Cr 2,182,000	
Impact of Chancellor's Summer Budget 2015 on Future Costs	1,158,000			0	0	Cr 1,158,000	
Homelessness Reduction Act	750,000	750,000		0	750,000	(4) 0	
Growth for Waste Services	587,000			0	0	Cr 587,000	
Cost of Local Elections	500,000	565,000		0	565,000	(2)(3) 65,000	
Universal Credit - Claimant Fault Overpayment Recoveries	500,000		500,000	0	500,000	0	
Further Reduction to Government Funding	500,000			0	0	Cr 500,000	
Retained Welfare Fund	450,000			0	0	Cr 450,000	
Deprivation of Liberty	118,000			0	0	Cr 118,000	
Planning Appeals - Change in Legislation	60,000			0	0	Cr 60,000	
Other Variations	101,000			0	0	Cr 101,000	
Additional Income Opportunity (Amey)	Cr 500,000	Cr 375,580		0	Cr 375,580	(4) 124,420	
London Pilot Business Rate Pool	Cr 2,900,000		Cr 2,900,000	0	Cr 2,900,000	0	
National Increase in Planning Fees							
- Expenditure		240,000		0	240,000	(1) 240,000	
- Income		Cr 240,000		0	Cr 240,000	Cr 240,000	
Contribution to Technology Fund - IT Strategy		3,500,000		0	3,500,000	(3) 3,500,000	
Contribution to Housing Investment Fund		7,500,000		0	7,500,000	(4) 7,500,000	
IT Transformation		92,000		0	92,000	(3) 92,000	
Staff Merit Award		200,000		0	200,000	(4) 200,000	
Contribution to Civic Centre Improvement Works		200,000		0	200,000	(4) 200,000	
Contribution to Transformation Fund		500,000		0	500,000	(4) 500,000	
Items Returned to Central Contingency							
Waste Disposal		Cr 490,000		0	Cr 490,000	(2)(3) Cr 490,000	
Parking - Bus Lane Contraventions		Cr 300,000		0	Cr 300,000	(2) Cr 300,000	
Apprenticeship Levy		Cr 130,000		0	Cr 130,000	(2) Cr 130,000	
Liberata Contract (Cash Counting)		Cr 60,000		0	Cr 60,000	(2) Cr 60,000	
Beckenham and Penge BID		Cr 44,000		0	Cr 44,000	(2) Cr 44,000	
Highways Maintenance Contract - Part Yr Saving		Cr 169,000		0	Cr 169,000	(2) Cr 169,000	
Registrar's Service - Part Yr Saving		Cr 18,000		0	Cr 18,000	(2) Cr 18,000	
Additional in year grant funding returned to central contingency		Cr 227,000	Cr 137,600	0	Cr 364,600	(4) Cr 364,600	
National Living Wage			Cr 567,000	0	Cr 567,000	Cr 567,000	
	13,405,000	13,480,420	Cr 3,104,600	0	10,375,820	Cr 3,029,180	0
Grants included within Central Contingency Sum							
Adult Social Care							
Grant Related Expenditure	873,000	0	873,000	0	873,000	(3)(4) 0	
Adult Social Care Support							
Grant Related Expenditure	744,000			0	0	Cr 744,000	
Grant Related Income	Cr 744,000	Cr 744,000		0	Cr 744,000	(4) 0	
Tackling Troubled Families							
Grant Related Expenditure	845,000		290,732		290,732	Cr 554,268	510,768
Grant related Income	Cr 845,000		Cr 290,732		Cr 290,732	554,268	Cr 510,768
SEN Implementation							
Grant Related Expenditure	189,000	189,000		0	189,000	(1) 0	
Grant Related Income	Cr 189,000	Cr 189,000		0	Cr 189,000	0	
SEND Preparation for Employment							
Grant Related Expenditure	63,000	63,000		0	63,000	(1) 0	
Grant Related Income	Cr 63,000	Cr 63,000		0	Cr 63,000	0	
SEN Pathfinder Grant 2018/19							
Grant Related Expenditure		27,522		0	27,522	(2) 27,522	
Grant Related Income		Cr 27,522		0	Cr 27,522	Cr 27,522	
Social Care Investment to ease NHS Winter Pressures							
- Expenditure		1,190,460			1,190,460	(4) 1,190,460	
- Income		Cr 1,190,460			Cr 1,190,460	(4) Cr 1,190,460	
Additional Homelessness Prevention Grant Allocation							
- Expenditure			89,000		89,000	89,000	89,000
- Income			Cr 89,000		Cr 89,000	Cr 89,000	Cr 89,000
TOTAL CARRIED FORWARD	14,278,000	12,736,420	Cr 2,231,600	0	10,504,820	Cr 3,773,180	0

Notes:

- (1) Executive 28th March 2018
- (2) Executive 11th July 2018
- (3) Executive 28th November 2018
- (4) Executive 27th March 2019

Allocation of Contingency Provision for 2018/19 (continued)

Item	Carried Forward from 2017/18	Allocations				Total Allocations/Projected for Year	Variation to Original Contingency Provision	Provisional Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total			
	£	£	£	£	£	£	£	
TOTAL BROUGHT FORWARD	14,278,000	12,736,420	Cr 2,231,600	0	10,504,820	Cr 3,773,180	0	
Items Carried Forward from 2017/18								
Adult Care & Health Portfolio								
Social Care Funding via the CCG under S75 Agreements								
Improved Better Care Fund								
- Expenditure	3,171,681	3,171,681	0	0	3,171,681	(4)	0	
- Income	Cr 3,171,681	Cr 3,171,681	0	0	Cr 3,171,681	(4)	0	
Better Care Fund - 2015/16 GoodGym								
- Expenditure	7,500	7,500	0	0	7,500	(4)	0	
- Income	Cr 7,500	Cr 7,500	0	0	Cr 7,500	(4)	0	
Better Care Fund 2017/18								
- Expenditure	28,390	28,390	0	0	28,390	(4)	0	
- Income	Cr 28,390	Cr 28,390	0	0	Cr 28,390	(4)	0	
Public Health								
- Expenditure	1,018,324	1,018,324	0	0	1,018,324	(4)	0	
- Income	Cr 1,018,324	Cr 1,018,324	0	0	Cr 1,018,324	(4)	0	
Resources, Commissioning & Contracts Management Portfolio								
Debt Management System Project - Transformation Grant								
- Expenditure	37,860	37,860	0	0	37,860	(6)	0	
- Income	Cr 37,860	Cr 37,860	0	0	Cr 37,860	(6)	0	
Public Protection & Enforcement Portfolio								
Asset Recovery Incentivisation Scheme (ARIS)								
- Expenditure	48,125	48,125	0	0	48,125	(2)	0	
- Income	Cr 48,125	Cr 48,125	0	0	Cr 48,125	(2)	0	
Renewal, Recreation & Housing Portfolio								
Asset Recovery Incentivisation Scheme (ARIS)								
- Expenditure	84,633	84,633	0	0	84,633	(2)	0	
- Income	Cr 84,633	Cr 84,633	0	0	Cr 84,633	(2)	0	
New Homes Bonus - Town Centre Development								
- Expenditure	36,378	36,378	0	0	36,378	(3)	0	
- Income	Cr 36,378	Cr 36,378	0	0	Cr 36,378	(3)	0	
New Homes Bonus - Regeneration								
- Expenditure	171,260	171,260	0	0	171,260	(3)	0	
- Income	Cr 171,260	Cr 171,260	0	0	Cr 171,260	(3)	0	
Planning Strategy & Projects - Custom Build Grant								
- Expenditure	30,000	30,000	0	0	30,000	(3)	0	
- Income	Cr 30,000	Cr 30,000	0	0	Cr 30,000	(3)	0	
Implementing Welfare Reform Changes								
- Expenditure	54,918	54,918	0	0	54,918	(3)	0	
- Income	Cr 54,918	Cr 54,918	0	0	Cr 54,918	(3)	0	
Flexible Homeless Grant								
- Expenditure	82,600	82,600	0	0	82,600	(3)	0	
- Income	Cr 82,600	Cr 82,600	0	0	Cr 82,600	(3)	0	
2016/17 Fire Safety Grant								
- Expenditure	43,870	43,870	0	0	43,870	(3)	0	
- Income	Cr 43,870	Cr 43,870	0	0	Cr 43,870	(3)	0	
Environment & Community Portfolio								
Highways - Pothole Action Fund								
- Expenditure	112,940	112,940	0	0	112,940	(2)	0	
- Income	Cr 112,940	Cr 112,940	0	0	Cr 112,940	(2)	0	
Education, Children and Families Portfolio								
Delivery Support Fund								
- Expenditure	69,100	69,100	0	0	69,100	(8)	0	
- Income	Cr 69,100	Cr 69,100	0	0	Cr 69,100	(8)	0	
SEND Reform Grant								
- Expenditure	20,013	20,013	0	0	20,013	(8)	0	
- Income	Cr 20,013	Cr 20,013	0	0	Cr 20,013	(8)	0	
School improvement Grant								
- Expenditure	46,500	46,500	0	0	46,500	(8)	0	
- Income	Cr 46,500	Cr 46,500	0	0	Cr 46,500	(8)	0	
Pathfinder Grant								
- Expenditure	16,489	16,489	0	0	16,489	(8)	0	
- Income	Cr 16,489	Cr 16,489	0	0	Cr 16,489	(8)	0	
Early Years Grant								
- Expenditure	14,800	14,800	0	0	14,800	(8)	0	
- Income	Cr 14,800	Cr 14,800	0	0	Cr 14,800	(8)	0	
High Needs Strategic Planning Fund								
- Expenditure	13,019	13,019	0	0	13,019	(8)	0	
- Income	Cr 13,019	Cr 13,019	0	0	Cr 13,019	(8)	0	
Tackling Troubled Families								
- Expenditure	497,885	497,885	0	0	497,885	(8)	0	

Item	Carried Forward from 2017/18	Allocations				Variation to Original Contingency Provision	Provisional Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year		
- Income	£ Cr 497,885	£ Cr 497,885	£ 0	£ 0	£ Cr 497,885	£ 0	£
General							
Short Term Assistance to Day Centres	152,025	152,025	0	0	152,025	(1) 0	
R&M - Central Depot Wall	163,000	163,000	0	0	163,000	(2) 0	
Democratic Services - Councillor IT Provision	20,000	20,000	0	0	20,000	(2) 0	
Contracts Register/Summaries Database	50,000	50,000	0	0	50,000	(6) 0	
Biggin Hill Airport - Noise Action Plan	24,315	24,315	0	0	24,315	(6) 0	
Information Systems & Telephony GDPR	426,000	426,000	0	0	426,000	(6) 0	
Legal Staff Costs GDPR	52,000	52,000	0	0	52,000	(6) 0	
Staff Merit Awards	36,000	36,000	0	0	36,000	(6) 0	
Exchequer Revenue & Benefits - Exchequer Contract	91,000	91,000	0	0	91,000	(6) 0	
Exchequer Revenue & Benefits - Academy System Upgrade	98,000	98,000	0	0	98,000	(6) 0	
Green Garden Waste - Debt Management System	120,000	120,000	0	0	120,000	(7) 0	
Management and Contract Support	80,000	80,000	0	0	80,000	(7) 0	
Parks Infrastructure Works	80,000	80,000	0	0	80,000	(7) 0	
Additional ECS Resources - Delay in Recruitment	67,000	67,000	0	0	67,000	(5) 0	
Total Carried Forward from 2017/18	1,459,340	1,459,340	0	0	1,459,340	0	0
GRAND TOTAL	15,737,340	14,195,760	Cr 2,231,600	0	11,964,160	Cr 3,773,180	0

Notes:

- (1) Council 26th February 2018
- (2) Executive 28th March 2018
- (3) Renewal, Recreation & Housing PDS 26th June 2018
- (4) Adult Care & Health PDS 27th June 2018
- (5) Public Protection & Enforcement PDS 3rd July 2018
- (6) Executive, Resources & Contracts PDS 5th July 2018
- (7) Environment & Community Services PDS 10th July 2018
- (8) Education, Children & Families Budget & Performance Monitoring Sub-Committee 18th July 2018

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Housing Needs - Temporary Accommodation	8,733	51	The full year effect of Temporary Accommodation is currently estimated to be £521k in 2019/20. 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 2019/20 as has been the case for a number of years.
Assessment and Care Management - Care Placements	20,735	664	The full year impact of the current overspend is estimated at Dr £959k . Of this amount £749k relates to residential and nursing home placements and £210k to domiciliary care / direct payments . This is based on client numbers as at the end of March. The fye is reduced by management action relating to additional joint funding income from the CCG of an expected £340k, although it should be noted that only £51k of this target was achieved in the current financial year. This figure is further reduced by £492k relating to BCF
Learning Disabilities - including Care Placements, Transport and Care Management	33,708	490	The full year effect (FYE) of the outturn is a net overspend of £1,113k. This figure is net of savings from management action, without which the FYE overspend would have been £1,749k. Throughout 2018/19 the FYE has shown a continuing trend of increased budget pressures. Anticipated 2018/19 growth and pressures from 2017/18 were both fully funded in the 2018/19 budget so this pressure is in excess of that. There are many reasons for the overspend but the single largest factor is the high number of new and increased care packages.
Mental Health - Care Placements	6,169	247	The full year overspend of £331k on Mental Health care packages is a worsened position in comparison to the previous forecast, mirroring the in-year 2018/19 position. Earlier in the year there had been evidence of clients progressing through the service, either to independent living arrangements or requiring reduced care support. This is the more usual trend for mental health-related placements but this progress has tailed off towards the end of the financial year.
Supporting People	1,013	Cr 74	The full year effect of Supporting People is currently estimated to be a credit of £94k. This is a result of the estimated savings from retendering of the contracts that has taken place.
Children's Social Care	34,836	3,204	The overall full year effect of the Children's Social Care overspend is £3,556k, analysed as Residential, Fostering and Adoption Dr £3,925k , Leaving Care services (inc Staying Put and Housing Benefit clients) Dr £110k, No Recourse to Public Funds Cr £187k and Parental Assessments Cr £174k, Virtual School Dr £100k, Direct Payments Dr £182k. This assumes that management action of £400k is achieved in 2019/20 and additional funding being negotiated from Bromley CCG of £500k is also received. Additionally, staffing costs are projected to be overspent by £945k due to continued high use of agency staff, however management action has been included to offset this as the department will need to manage the costs of staffing within the overall budget.

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Legal Services - Legal / Counsel Fees and Court costs	389	307	The overspend on counsel fees and court costs in 2018/19 is due to the continuing trend of high volume in child care cases, however the numbers are now reducing year on year. There was also a challenge to the local plan plus other planning enquiries coupled with high profile injunction cases and additional commercial cases adding to the overspend seen in 2018/19. Costs are expected to reduce in future years as the number of child care case numbers stabilise, at this time additional expenditure of around £70k is projected for 2019/20.
Adult Education	Cr 520	84	The pressure in the Adult Education area is being caused by the provision of non-fee paying courses as required by the community learning element of the ESFA grant. This requires us to provide provision to support vulnerable communities and any reduction in the priority area risks a reduction in the future allocation of the grant. The full year effect is projected to be £130k.
Parking	Cr 7,419	Cr 80	The reductions in number of PCNs issued by wardens is expected to be partly offset by the income from bus lane enforcement, after assuming a slight drop off in contraventions. At this stage no overall variance is projected for Parking in 2019/20.

Carry Forwards from 2018/19 to 2019/20**MEMBERS' APPROVAL REQUIRED****Grants with Explicit Right of Repayment****ADULT CARE AND HEALTH PORTFOLIO****1 Better Care Fund (BCF) 58,328**

Bromley's Better Care Fund (BCF) allocation for 2018/19 was £20,672k. Some areas within BCF, including those for reablement and resilience, were not fully spent by 31st March 2019 and, under the pooled budget arrangement with Bromley CCG, underspends are carried forward for spending on BCF activities in 2019/20. This funding will be allocated to agreed projects together with new BCF funding for 2019/20.

Adult Care and Health Portfolio

58,328**EDUCATION, CHILDREN & FAMILIES PORTFOLIO****2 Step Up to Social Work Cohort 6 48,000**

The Department of Education forward funded the initial set up costs for the new cohort of the Step Up to Social Work grant. The funding for this new cohort was agreed by Executive in February 2019 and is the continuation of a successful programme of training and developing Social Workers for Children's Social Care.

3 Reducing Parental Conflict 40,100

The Department of Work and Pensions has provided funding totalling £40,100 to address local issues relating to the reduction in parental conflict. The purpose of the funding is to support the development of strategies and to purchase frontline practitioner training.

4 FGM Focused Outreach Grant 10,135

Funding for locally driven Female Genital Mutilation (FGM) focussed outreach, engagement and communication. Provided by the Ministry of Housing, Communities and Local Government.

Education, Childrens and Families Portfolio

98,235**RENEWAL, RECREATION AND HOUSING PORTFOLIO****5 Fire Safety Grant 42,654**

In June 2017, the Council received £56,589 from the London Fire and Emergency Planning Authority, following the successful bid made for gas safety checks, minor repairs for gas appliances and fire retardant bedding and clothing for disabled or vulnerable clients. To date, £13,935 has been spent and the remaining grant sum of £42,654 is requested to be carried forward to 2019/20, in order to continue to carry out the works as set out in the grant conditions.

6 New Homes Bonus - Regeneration 94,416

In total there were 4 NHB top slice revenue projects which secured funding agreed through the LEP in 2015/16. These were due to be delivered over 2 years commencing in 2015/16, although the GLA agreed to extend the period to the end of 2018/19. The 4 projects include: Penge town centre and Orpington town centre (a proportion of which was allocated to TCM and is included in a separate carry forward request), Biggin Hill Technology & Enterprise centre and Lagoon Rd industrial estate refurbishment. At the end of 2018/19, £94,416 remains unspent and a carry forward is requested so that the associated project work can be completed in 2019/20, as agreed with the GLA.

7 New Home Bonus - Town Centre Management 23,472

There was an underspend of £23k in 2018/19 relating to the two NHB top slice projects within Orpington and Penge. Executive are requested to agree a carry forward on the balance for these specific projects, which will be completed during 2019/20, as agreed with the GLA.

Renewal, Recreation and Housing Portfolio	160,542
Total Expenditure to be Carried Forward	317,105
Total Grant Income	-317,105

Grants with no Explicit Right of Repayment

ADULT CARE AND HEALTH PORTFOLIO

8 Improved Better Care Fund (IBCF) 3,967,290

A total of £8,548k Improved Better Care Funding (IBCF) was available for spending in 2018/19, which comprised both 2018/19 grants and an amount brought forward from 2017/18. There was a degree of slippage in 2017/18, the first year of IBCF, partly because allocations were agreed relatively late in the financial year and this has had a knock on effect in year 2 of the programme resulting in underspends totalling £3,967k. In line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years and spending commitments are in place in 2019/20. These commitments include contributions to balance Adult Social Care growth pressures in 2019/20.

9 Public Health Grant 1,779,069

The Public Health Grant underspent as follows:

£141k in 2014/15

£152k in 2015/16

£330k in 2016/17

£395k in 2017/18

This total balance of £1,018k was carried forward to 2018/19 to fund public health initiatives as per the terms of the grant, however it was not required this year as there was a further underspend of £761k. This cumulative balance is requested to be carried forward to fund public health initiatives in future years, including the contract for health support to school age children which was reported to the Executive in November 2018.

Adult Care and Health Portfolio	5,746,359
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EDUCATION, CHILDREN & FAMILIES PORTFOLIO

10 Delivery Support Fund 26,774

The Delivery Support Fund was a capital grant awarded by the DfE for the implementation of 30 hours of funded childcare for working parents for which Bromley received £69,100.

To date a total of £42,326 has been spent on a range of projects to increase capacity. In an email dated 24/08/2018 the DfE advised LA's that any unspent money from the fund needs to be spent on aims that benefit 30 hours delivery or to implement necessary requirements in the IT system. The Early Years' service is seeking to purchase an IT system to support the flexibility and complexities involved in managing the 30 hours funding alongside all the existing funding streams and the process is in the final stages of writing in terms of Gateway Report for this procurement.

It is therefore requested that the remainder of this grant, £26,774 is carried forward into the next financial year to be combined with the existing capital grant of £43k for the purchase of the new system. The initial start-up costs of the systems under consideration will cost from between £65k – 87k in year 1. It is hoped that the new system will be purchased for implementation later this calendar year.

11 Troubled Families Grant	This grant is to fund the development of an ongoing programme to support families who have multi-faceted problems including involvement in crime and anti-social behaviour with children not in education, training or employment. This support is delivered through a number of work streams cross cutting across council departments and agencies. This sum represents the underspend in 2018-19.	510,768
12 SEND Reform Grant	The 2018/19 SEND reform grant has been utilised to best effect in 18/19 and there has not been any further grant from DfE to support the SEND Reforms in 19/20. Bromley continue to drive improvements and are working at pace with a particular focus on the SEND local area inspection preparation. The inspection is anticipated to be in the next 12 months but likely within the Summer term of the 18/19 academic year. The carry forward funding is critical to staffing and urgent work that Bromley continues to require, with a clear focus on quality assurance and improvements. All remaining funding is therefore requested to be carried forward to maximise what is available as we drive improvements and continue to implement the action plan, which is scrutinised through accountability at the SEND Governance Board.	55,405
13 Pathfinder Grant	The funding that remains will be consolidated with the SEND Reform grant carry over to maximise resource to implement the improvements at pace, with a focus on the forthcoming SEND local area inspection planning.	8,161
14 Early Years Grant - Supporting early education of disadvantaged children	The original plan for this money was to be used to support the resourcing of a project developing a bespoke software solution for the early years funding team. After extensive discussions with both BT and the current provider, SDA, it was concluded that both the development costs and the associated risks involved made the proposal unviable. Therefore the service has recently undertaken a market review of the off-the-shelf packages available. It is therefore proposed that this grant is carried forward into the next financial year. It will then be able to be combined with some existing funding of £43k for the purchase and start-up costs of the new digital solution. The initial start-up and first year costs of the solutions under consideration vary from £65k to £87k. Two of the packages will also require additional expenditure if the LA opts to include modules / software for producing data reports.	14,800
Education, Childrens and Families Portfolio		615,908
<u>PUBLIC PROTECTION AND ENFORCEMENT AND RENEWAL & RECREATION AND HOUSING PORTFOLIO</u>		
15 Appeal and Enforcement - Asset Recovery Incentivisation Scheme (ARIS)	The Council was awarded a sum of £144,388 from a Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme to carry out works on asset recovery, crime reduction projects and community projects. Due to the late notification of this funding, on 28th March 2018 Executive agreed to carry forward the unspent balance of £132,758 into 2018/19. £84,633 of this is allocated to Planning Enforcement (RR&H Portfolio) and the remaining balance of £48,125 is allocated to Trading Standards (PPE Portfolio). The works that were undertaken during 2018/19 were funded from underspends elsewhere in the service, enabling the funding to be carried forward for another year. Members are asked to approve a carry forward request for both the income and expenditure budget to 2019/20.	132,758
		132,758
<u>RENEWAL & RECREATION AND HOUSING PORTFOLIO</u>		
16 Planning Strategy & Projects - Custom Build Grant		60,000

The Custom Build grant of £30k was carried forward from 2017/18 due to late notifications from DCLG, as approved by Executive on 21 May 2018. In March 2019, notification was received from DCLG that the Council had been awarded an additional £30k Custom Build grant. The majority of the work funded from these grants will follow on from the Local Plan. Due to a lengthy public examination including legal challenges, the plan was eventually adopted much later than expected in January 2019, which resulted in the works being delayed. Therefore Executive are asked to carry forward these grants in order to carry out the works in 2019/20

17 Implementing Welfare Reform Changes	54,848
The funds provided were to meet the cost of implementing welfare reform. Caseloads are likely to increase substantially. This funding will be needed in 2019/20 to help mitigate the impact and potential increase in homelessness resulting from these changes. In addition there have been delays in implementing Universal Credit nationally. The funding will therefore be needed to cover the costs of local implementation.	
18 Flexible Homelessness Support Grant	40,945
The Flexible Homelessness Support Grant was a new grant in 2017/18 that has replaced the Management Fee included within the Housing Benefit Grant. The spend has been used during the year to offset the loss of income from the end of the HB Management Fee. Looking at next years grant allocation and expected spend, it is currently expected that the grant income will not be enough to cover the costs, and therefore this carry forward would assist in meeting the expected demand in 2019/20.	
19 Homelessness Reduction Grant	89,000
The additional grant which has been given to reflect the latest MHCLG visits. The funding has been provided to assist in preventing and relieving homelessness for young people and as such will be required to during 2019/20 to implement the initiatives identified through the work with the MHCLG specialist adviser.	
	<hr/> 244,793
Total Expenditure to be Carried Forward	6,739,818
Total Grant Income	-6,739,818

OTHER CARRY FORWARD REQUESTS

RESOURCES, COMMISSIONING AND CONTRACTS PORTFOLIO

20 Audit - Blue Badge Investigations	54,000
Due to the increasing numbers of Blue Badge Investigations being referred, additional resources are required as part of the RB Greenwich framework contract (provision of Counter Fraud Service). A sum of £54k is requested to be carried forward from the 2018/19 underspend within Audit, to fund the additional resources required in 2019/20.	
21 Biggin Hill Airport Noise Action Plan	24,310
A sum of £24k was carried forward from 2017/18 to fund contracted specialist expert acoustic advice and other potential advice relating to the introduction of the Noise Action Plan for Biggin Hill Airport. Although there has been no expenditure in 2018/19, there remains the need for potential specialist advice, with an increased likelihood in early 2019/20, when activity is often perceived to be greater. It is therefore requested that £24k is carried forward into 2019/20.	
22 Information Systems & Telephony GDPR	311,000

In May 2018, Executive approved a carry forward of £426k for GDPR compliance work to be undertaken in 2018/19. The funding related to IT Systems, staffing and training work. Due to further delays in the recruitment of temporary GDPR staff, there is an underspend of £171k, which is requested to be carried forward to 2019/20 to fund these costs up to the agreed 18 months fixed term. In addition to this, £140k of the specific funding for GDPR system work is requested to be carried forward to 2019/20 to enable the work to be completed.

23 Merit Rewards 24,257

For 2018/19 £28k was allocated for initiatives to benefit staff, as put forwarded by the Departmental Representatives. It was requested that the Old Well Bar area be converted into a staff break out room. Works completed to date include cleaning, and the installation of a Card Reader for Access. The remaining balance of £24k is requested to be carried forward in order to allow further potential improvements works to be carried out in 2019/20, including removal of the bar area and renovation of the kitchen area, which would make better use of the space available for staff.

24 HR Information System - GDPR 20,000

As noted in the March'19 Budget Monitoring Executive report, here was a significant reduction in costs, as Officers have been able to enhance an existing internal system following market testing of all options, rather than purchase a bespoke system. This has led to an underspend of £125k. As a result of this change, there is a delay in the roll out of the project, and £20k is requested to be carried forward in relation to the HR document management system, to cover the cost of scanning and indexing of the current hard copy files needed as part of the implementation, and to secure destruction of hard copy files.

25 Exchequer Revenue & Benefits 91,000

£91k was carried forward from 2017/18 to meet the potential costs of retendering the Exchequer contract. Formal approval is now requested at the year end to carry forward the unspent amount, as the tender will be evaluated and contract mobilisation undertaken during 2019/20.

26 Exchequer Revenue & Benefits 98,000

£98k was carried forward from 2017/18 for an essential upgrade of the Academy System used for the collection of Council Tax and Business Rates, which was originally planned for the Autumn of 2018. Due to delays in undertaking this, it is requested that £98k is carried forward for the works to be done in 2019/20.

ENVIRONMENT AND COMMUNITY PORTFOLIO

27 Green Garden Waste - Debt Management System 120,000

Due to the mobilisation of the Environmental contracts, the development of the direct debit system for Green Garden Waste (GGW) has been delayed and the work required will not start until April 2019. The new system will separate the financial and operational functions. It will enable officers to collect the income in a more timely fashion through direct debits. This will make the service more efficient, providing easier cash reconciliation and debt management, and provide customers with an alternative method of payment. Executive are requested to carry forward the £120k previously set aside for developing a direct debit system for the Green Garden Waste (GGW) service into 2019/20.

PUBLIC PROTECTION AND ENFORCEMENT PORTFOLIO

28 Additional ECS resources - delay in recruitment 163,120

Due to delays in recruiting to the additional fixed term Food Safety Officer posts, there was an underspend of £163k in 2018/19, Therefore this sum is requested to be carried forward to 2019/20 and 2020/21 to enable the temporary posts to be funded for the remaining agreed term.

Total Other

905,687

TOTAL CARRY FORWARD TO 2019/20

905,687

EARMARKED GENERAL FUND BALANCES - 2018/19

Description	Balance at 31/03/2018+	Expend- iture	Income		Balance at 31/03/2019
			Contribs.	Interest	
EARMARKED BALANCES	£'000	£'000	£'000	£'000	£'000
LPSA Reward Grant	76				76
Technology Fund	1,755		3,254	35	5,044
LAA Pump Priming Grant	155				155
Town Centre Improvement Fund (LABGI)	55				55
Transformation Fund	2,651	559			2,092
Investment to Community	468	96			372
R & R Redundancy Reserve	116				116
Works to Property	100				100
Planning Services Charging Account	193	193	166		166
Government Grants	5,137	5,137	6,845		6,845
Invest to Save	15,972		1,112		17,084
Bromley Welcare	29	29			0
One off Member Initiatives	1,167	276			891
Infrastructure Investment Fund	1,868	178			1,690
Commissioning Authority Programme	555	190			365
Health & Social Care 'Promise Programme'	3,953				3,953
Housing Strategy Account	25				25
Community Right to Bid & Challenge	46				46
Investment Fund	6,197	147			6,050
Winter Pressures	2,010				2,010
Refurbishment of War Memorials	13				13
Key Health & Social Care Initiatives	1,700				1,700
Integration of Health & Social Care Initiatives	864		750		1,614
Collection Fund Surplus Set Aside	11,313		7,853		19,166
Healthy Bromley Fund	3,815				3,815
Glaxo Wellcome Endowment	143	13		2	132
Cheyne Woods and Cyphers Gate	153	10			143
Public Halls Fund	7				7
Future Repairs of 145, High Street	43		12		55
Parallel Fund	2,700		203		2,903
Growth Fund	23,152	2,060			21,092
Health & Social Care Integrated Commissioning Fund	4,550	250	1,250		5,550
Financial Planning & Risk Reserve	10,000				10,000
Bromley Welfare Fund	860	111			749
Payment in Lieu Reserve for Temporary Accommodation	122		27		149
Business Rates Risk Reserve	4,200				4,200
One Off Expenditure in 2016/17 (inc. TFM Contract)	97	97			0
Crystal Palace Park Improvements	82	56			26
Various Joint Schemes and Pump Priming Investments	4,145	1,820	1,050		3,375
Transition Fund	2,590	30			2,560
Children's Social Care Transition Fund	750	750			0
Environmental Initiatives	500	33			467
Planning/Planning Enforcement	197				197
Apprenticeship Scheme	200				200
Civic Centre Development Strategy	257		200		457
CSC Recruitment & Retention	422	422			0
Professional Advice for Future Schemes	147				147
Utilisation of New Homes Bonus	2,256				2,256
Future Pensions Risk on Outsourcing	203		347		550
West Wickham Leisure Centre & Library Redevelopment	993				993
Income Equalisation Reserve	1,086		1,508		2,594
New Reserves Set Up in 2018/19					0
Capital Funding for Property Disposal/Feasibility Works		171	250		79
Biggin Hill Airport Project			124		124
Transformation Programme			500		500
Housing Investment Fund			7,500		7,500
High Street & Parks Improvement Fund			115		115
Subject to Approval Executive 21st May 2019					0
Contribution to YES Funding for 2019/20			130		130
Day Centre Rent Relief			76		76
Housing Invest to Save			3,409		3,409
Sub-Total	120,088	12,628	36,681	37	144,178
Schools	2,219	785	323		1,757
Insurance Fund	3,717	611	800	78	3,984
TOTAL	126,024	14,024	37,804	115	149,919

Note: Members should note that the balance at 31/3/2019 represents the "cash" balance and in some cases the monies shown will already be committed for future years on various schemes.

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:

31st Mar 2018 £000	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31st Mar 2019 £000
<u>Revenue</u>					<u>Revenue</u>
391	Highway Improvement Works	33	258	-	166
18	Road Safety Schemes	-	18	-	-
45	Local Economy & Town Centres	3	32	-	16
87	Parking	3	18	-	72
1,198	Healthcare Services	556	-	-	1,754
10	Community Facilities	72	125	86	43
311	Other	-	-	-	311
2,060		667	451	86	2,362
<u>Capital</u>					<u>Capital</u>
3,311	Education	1,629	2,189	-	2,751
3,104	Housing	1,393	987	-	3,510
-	Local Economy & Town Centres	2,164	158	-	2,006
82	Highway Improvement Works	1	-	-	83
86	Other	-	-	86	-
6,583		5,187	3,334	-	8,350
8,643		5,854	3,785	0	10,712

SCHOOLS' DELEGATED BUDGETS

Consistent Financial Report (CFR) is a framework of income and expenditure items and balances, which provides schools with a benchmark facility to allow them to promote self-management and value for money. A CFR return has been produced by all schools maintained by the LA as at 31 March 2019.

The CFR framework details five balances which provide an overall picture of the resources available to the school from one year to the next and give information about any carried forward balances. The balances are categorised as follows:

- B01: Committed Revenue Balances
- B02: Uncommitted Revenue Balances
- B03: Devolved Formula Capital Balances
- B05: Other Capital Balances
- B06: Community Focussed Extended Schools Balances

N.B. B04 Other Standards Fund Capital Balances has now been removed as Standards Funds no longer exist.

The following table shows schools' reserves as at 31 March 2019, the end of the 2018/19 financial year. The table below shows an overall decrease in balances of 174k (decrease from £1,931k to £1,757k). This decrease can be seen to be across both revenue and capital balances and across each of the school sectors as detailed below.

	Nos	Accrued Balances at 1 April 2018	Under/ Over (-) Expenditure in 2018/19	Accrued Balances at 31 March 2019	Analysis of Balances as at 31 March 2019					
					Committed Revenue	Uncommitted Revenue	Devolved Formula Capital	Other Capital	Community Focussed Extended Services	Total Balances
					£'000	£'000	£'000	£'000	£'000	£'000
Primary Schools	5	775	67	842	48	681	71	42	0	842
Secondary Schools	1	390	-321	69	0	3	0	66	0	69
Special Schools	2	766	80	846	171	557	51	34	33	846
Total	8	1,931	-174	1,757	219	1,241	122	142	33	1,757

THE SCHOOLS BUDGET

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 year's Schools Budget.

There is a total in year underspent of £1,481k on DSG funded services as outlined below.

An analysis of the main variations is provided below:

	£000 Outturn Variance
SEN - Transport	81
SEN - FE College	106
SEN - Placements	245
SEN - Other Variations	28
Free Early Education	Cr 395
Home and Hospital	303
Bulge Classes & Classroom Hire	Cr 730
Payments to Special Schools	Cr 940
Other Variations	Cr 179

The most significant variations above are:-

a) SEN placements are projected to overspend by a total of £245k. The overspend is being caused by the Maintained Day (£912k), Matrix funding (£353k) and Alternative Programmes (£397k). These overspends are then offset by underspends on Independent Boarding Schools (£640k), Maintained Boarding Schools (£298k) and Independent Day (£392k). There are additionally other running cost underspends and over collection of income totalling £87k.

b) SEN Support for clients in Further Education Colleges has overspent by £106k this year. This is due to the costs of placing clients with Independent Further Education providers.

c) The budget for bulge classes has underspent by £748k for this financial year. Additionally the council has spent £18k on modular classroom rentals during the year.

d) The Home and Hospital service has overspent by £303k during the year. This is due to the splitting out of the Nightingale School from the service and additional costs relating to the a higher than expected number of children the are seeing. The Home and Hospital service is in the process of being reviewed and this is expected to be completed in 2019/20

INVEST TO SAVE FUND

This earmarked reserve was set up with a sum of £14m, as approved by Council in October 2011, to enable "loans" to be provided for Invest to Save initiatives. Advances are to be repaid within a "reasonable" period with schemes providing on-going revenue savings to contribute towards reducing the budget gap. In February 2012, Executive agreed that the one-off Council Tax Freeze grant in 2012/13 be added to the Fund, bringing the total contributions up to £17,304k.

Five schemes have been approved to date and, as at 31st March 2019, the actual balance on the Fund stood at £17,084k as detailed in the table below:

Scheme	To 31st March 2019					
	Approval date (Council/Exec)	Contrib- utions £'000	Approved "loans" £'000	Advanced from Fund £'000	Repaid to Fund £'000	Net "loan" 31/03/19 £'000
Approved funding						
Initial Funding allocation	Oct-11	14,000				
Council Tax Freeze grant	Feb-12	3,304				
Approved schemes						
Green waste/textile collection service	Dec-11		220	220	220	0
Replace street lighting columns	Nov-12		8507	8435	8227	208
Bellegrave - refurbishment	Jan-13		400	508	508	0
Statemented pupils - travel training	Apr 13 & Jul 14		460	272	272	0
Transfer CSC to Liberata	Sep-13		330	322	310	12
			17,304	9,917	9,757	220
Actual Fund balance 31/03/19						17,084

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Report No.
FSD19046

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE
COUNCIL

Date: Executive Tuesday 21st May 2019
Council Wednesday 22nd May 2019

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME OUTTURN 2018/19

Contact Officer: James Mullender, Head of Finance, Adults, Health & Housing
Tel: 020 8313 4196 E-mail: james.mullender@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

- 1.1 This report sets out the final outturn on capital expenditure and receipts for 2018/19. Capital expenditure in the year was £30.9m, compared to the final approved budget of £37.8m, resulting in a total net variation of Cr £6.9m. For funding purposes, £5.0m slippage was assumed in the Quarter 3 capital monitoring report, so there was an overall variation of Cr £1.9m in the use of capital receipts and external and revenue contributions.
-

2. **RECOMMENDATIONS**

2.1 **The Executive is requested to:**

(a) Note the report;

(b) Approve the following amendments to the Capital Programme for 2019/20:

- (i) Increase of £20k to the Housing IT scheme funded from the H-CLIC new burdens grant as detailed in paragraph 3.2.1;
- (ii) Increase of £671k to the MyTime Investment Fund scheme to reflect the final contribution in 2018/19 as detailed in paragraph 3.2.2;
- (iii) Addition of £250k to the Capital Programme for Property Disposals/Feasibility Works as detailed in paragraph 3.2.3;
- (iv) Increase of £81k to the Orpington Town Centre Scheme as detailed in paragraph 3.2.4;

- (v) Reduction of £6k to the Transport for London (TfL) funded Traffic and Highways schemes as detailed in paragraph 3.2.5; and**
- (vi) Deletion of the £32k residual balance on the CCTV Control Room scheme as detailed in paragraph 3.2.6.**
- (c) Recommend that Council approves the increase of £2,153k to the Disabled Facilities Grant scheme to reflect the 2019/20 allocation as detailed in paragraph 3.3.1;**
- (d) Recommend that Council approves the increase of £1,321k to the Housing Unallocated PIL scheme as detailed in paragraph 3.3.2; and**
- (e) Note that a report elsewhere on the agenda requests the addition of £8.4m to the Capital Programme for the provision of housing at Bushell Way and Anerley Town Hall Overflow Car Park.**

2.2 Council is requested to:

- (a) Approve the increase of £2,153k to the Disabled Facilities Grant scheme to reflect the 2019/20 allocation as detailed in paragraph 3.3.1; and**
- (b) Approve the increase of £1,321k to the Housing Unallocated PIL scheme as detailed in paragraph 3.3.2.**

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. For each of our portfolios and service priorities, the Council reviews its main aims and outcomes through the AMP process and identify those that require the use of capital assets. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable: No additional cost.
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £37.8m in 2018/19
 5. Source of funding: Capital receipts, external grants/contributions & revenue contributions
-

Staff

1. Number of staff (current and additional): 1 fte
 2. If from existing staff resources, number of staff hours: 36 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: 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: N/A

3. COMMENTARY

3.1 Capital Programme Outturn 2018/19

3.1.1 The final capital outturn for the year was £30.9m, compared to the final revised budget of £37.8m. The total net variation is Cr £6.9m, which is primarily due to slippage in Education, Children & Families Portfolio (Cr £2.3m) and Environment & Community Portfolio (Cr £4.9m) as summarised in the table below:

Portfolio	Latest	Final	Variation	
	Approved Budget 2018/19	Outturn 2018/19	2018/19	
	£m	£m	£m	
Education, Children & Families Portfolio	13.7	11.4	Cr	2.3
Adult Care & Health Portfolio	0.3	0.3		0.0
Environment & Community Portfolio	12.2	7.3	Cr	4.9
Public Protection & Enforcement Portfolio	0.0	0.0		0.0
Renewal, Recreation & Housing Portfolio	10.8	10.9		0.1
Resources, Commisisoning & Contracts Mgt Portfolio	0.8	1.0		0.2
Latest approved Capital Programme	37.8	30.9	Cr	6.9
Less: further slippage assumed for financing purposes	Cr 5.0	-		5.0
	32.8	30.9	Cr	1.9

3.1.2 These slippages will be re-phased into 2019/20 as shown in Appendix 1. The variations detailed in sections 3.4 to 3.9 have all arisen since the 3rd quarter capital monitoring report.

3.1.3 As set out in the Capital Programme Monitoring (3rd quarter) report to Executive on 13th February 2019, further slippage of £5.0m was assumed for financing purposes, however the significant slippage during the final quarter has resulted in a variation in the overall use of capital receipts, external grants/contributions and revenue contributions of Cr £1.9m.

3.2 Variations requiring the approval of the Executive (£1,016k net increase)

3.2.1 Housing IT Scheme (£20k increase in 2019/20)

On 22nd March 2019, the Ministry of Housing, Communities & Local Government allocated additional new burdens funding of £20k relating to the new Homelessness Case Level Information (H-CLIC) data. Members are requested to approve the increase of £20k, funded from this grant, to the Housing IT scheme budget to cover the costs of the additional software/reporting that was required to meet the data requirements.

3.2.2 Bromley MyTime Investment Fund (£671k increase in 2018/19)

There is an annual provision in the revenue budget for a contribution towards capital investment in the Council's leisure centres managed by MyTime, and the Executive is requested to approve an increase of £671k to the MyTime Investment Fund scheme to reflect the final contribution in 2018/19, which will result in a total contribution of £4,439k.

3.2.3 Property Disposals/Feasibility work scheme (£250k addition in 2019/20)

The Executive previously agreed to the setting up of an earmarked reserve with an initial allocation of £250k for property disposal/feasibility work to be undertaken on various sites, either currently or yet to be identified, and it is requested that this be added to the Capital Programme.

Where allowable, expenditure that is attributable to the disposal of Council properties will be funded from the related capital receipts which will reduce the draw on the earmarked reserve. Any identified re-development opportunities will be subject to a capital appraisal process and a report will be submitted to the Executive, or Council as appropriate, requesting approval for the scheme to be added to the Capital Programme. Where a scheme progresses, applicable feasibility costs will be capitalised where possible.

3.2.4 Orpington Town Centre scheme (£81k increase in 2019/20)

Executive are requested to approve an increase of £81k to the Orpington Town Centre scheme to reflect the final payment of Section 106 contributions relating to the Orpington Police Station development.

3.2.5 Transport for London (TfL) – Revised support for Highways and Traffic Schemes (£6k decrease in 2019/20)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2018/19 to 2020/21 on the basis of the bid in the Borough Spending Plan (BSP). A decrease to the budget for 2019/20 of £6k is requested to reflect the revised allocations. TfL budgets change frequently and any further variations will be reported in subsequent capital monitoring reports.

3.2.6 CCTV Control Room scheme (£32k deletion)

The CCTV Control room refurbishment project completed in 2016/17. The final retention sum for the contract has now been paid and Members are requested to agree that the residual balance of £32k is removed from the Capital Programme.

3.3 Variations requiring the approval of Council (£3,474k increase)

3.3.1 Disabled Facilities Grant scheme (£2,153k increase in 2019/20)

The Disabled Facilities Grant (DFG) is provided for the provision of adaptations to disabled people's homes to help them to live as independently and safely as possible. The capital allocation for 2019/20 totals £2,153k. The funding will enable additional schemes to provide physical improvements to clients' home environments and to assist with creating safer and healthier homes, and reduce admissions to hospital. Council is requested to agree the addition of £2,153k to the DFG capital scheme to reflect this grant allocation.

3.3.2 Housing Unallocated PIL scheme (£1,321k increase in 2019/20)

In July 2015, the Executive agreed that the Capital Programme budget should reflect the total of Section 106 receipts available to fund expenditure. An additional £1,321k S106 funding has been received for Housing use, and Council is requested to agree the increase of £1,321k to the Housing unallocated PIL scheme.

3.4 Education, Children & Families Portfolio

3.4.1 The slippage for Education, Children & Families Portfolio which has occurred since the third quarter monitoring is £2.3m against a total budget of £13.7m. This is mainly due to £1.0m on the Basic Need Programme, where there were delays due to procurement issues on the Leeson's scheme.

3.4.2 In addition, the £0.4m for retention and final accounts at Glebe is still to be agreed and £0.6m on Capital Maintenance works will now be undertaken during summer holiday periods so as to cause the least amount of disruption to classes. All variations have been re-phased into 2019/20.

3.5 Adult Care & Health Portfolio

3.5.1 The variation for Adult Care & Health Portfolio schemes is zero against a budget of £0.3m. This is due to the Social Care Grant overspending by £0.1m although this is offset by underspend of £0.1m on various other schemes.

3.6 Environment & Community Portfolio

3.6.1 There was overall slippage of £4.9m since the third quarter monitoring on schemes in the Environment & Community Portfolio compared to a total portfolio budget of £12.2m. This was mainly due to slippage of £1.6m on the Highways Investment scheme which was in part due to delay in design work being signed off, and £0.4m on the Beckenham Town Centre Improvements scheme.

3.6.2 There was also slippage of £1.5m on the LIP Formula Funding scheme due to delays in design works being agreed as well as works then being planned for quieter periods so as to affect motorists as little as possible. In addition, there was slippage of £0.4m slippage on the TfL funded Maintenance scheme. Slippage on other schemes totalled a further £0.7m.

3.7 Public Protection & Enforcement Portfolio

3.7.1 There was no variation on the capital scheme in the Public Protection & Enforcement Portfolio.

3.8 Renewal, Recreation & Housing Portfolio

3.8.1 There was a net variation of Dr £0.1m on the capital schemes in the Renewal, Recreation & Housing Portfolio from a total portfolio budget of £10.8m. This comprised of accelerated spend on the Biggin Hill Memorial Museum scheme (£0.4m), partly offset by a few minor slippages on other schemes.

3.9 Resources, Commissioning & Contracts Management Portfolio

3.9.1 There was an overall variation of Dr £0.2m on schemes in the Resources, Commissioning & Contracts Management portfolio compared to a total portfolio budget of £0.8m. This is mainly due to accelerated spend on the Banbury House demolition/site preparation.

3.10 Block Capital Provisions

3.10.1 The outturn position for 2018/19 block capital provisions is shown in the table below:

	Budget 2018/19 £'000	Actuals 2018/19 £'000	Variance 2018/19 £'000
Resources, Commissioning & Contracts Management			
Emergency Works on Surplus Sites	24	0 Cr	24
Adult Care and Health			
Disabled Facilities Grants - DFG	1,254	1,247 Cr	7
Total	1,278	1,247 Cr	31

3.11 Financing of the Capital Programme

3.11.1 The financing of 2018/19 capital expenditure is compared below with the estimates reported in the third quarter capital monitoring:

Source of Finance	Budget £m	Actuals £m	Variation £m
Final approved budget	37.8		
Less - assumed slippage for financing purposes	Cr 5.0		
Total Capital Expenditure (net of slippage)	32.8	30.9	Cr 1.9
Financed By			
Usable Receipts	5.4	8.9	3.5
Revenue Contributions	4.2	3.1	Cr 1.1
Government Grants	12.9	11.2	Cr 1.7
Other Contributions	10.3	7.7	Cr 2.6
Total	32.8	30.9	Cr 1.9

3.11.2 During 2018/19, capital monitoring reports have been considered by the Executive on a quarterly basis, in July 2018, November 2018 and February 2019, and reported changes have been incorporated in revised approved Capital Programmes. These have similarly been reported quarterly to individual PDS Committees. For information, Appendix 2 provides a comparison between the latest approved budget and the original approved budget for the year (agreed in February 2018).

3.12 Capital Receipts

3.12.1 Under the “prudential” capital system in operation from 1st April 2004, most capital receipts are “usable” and may be applied to finance capital expenditure. The final outturn in 2018/19 for new capital receipts from asset disposals was £12.6m, and was lower than the estimated figure reported to the Executive in February 2019 (£14.9m), mainly due to Anerley Town Hall Car Park now being earmarked for housing use rather than for disposal.

3.12.2 The table below provides a breakdown of the unapplied capital receipts totalling £29.3m that will be carried forward to finance expenditure in 2019/20 and later years. £8.9m was applied for financing capital expenditure during 2018/19 as revenue contributions, external and other contributions covered the majority of the total capital expenditure. As has been the case for the last fifteen years, no contribution from the General Fund was required in 2018/19. To date, £20.3m of capital receipts have been earmarked to supplement the Investment Fund for the purchase of investment properties, of which £4.5m has been utilised to date, leaving £15.8m, so a total of £13.5m remains available to finance capital expenditure in future years.

	Usable Receipts £m
Unapplied Balance b/f April 2018	25.7
Total Receipts during 2018/19	12.5
Receipts applied to finance expenditure	Cr 8.9
Unapplied Balance c/f as at 31 March 2019	29.3
Receipts earmarked for Investment Properties	Cr 15.8
Balance available to fund future expenditure	13.5

3.13 Section 106 Receipts

3.13.1 In addition to capital receipts, the Council is holding a significant sum in respect of Section 106 capital contributions received from developers in recent years. These are made to the Council as a result of the granting of planning permission and are restricted to being spent on capital works in accordance with the terms of agreements reached between the Council and the developers. Section 106 receipts are held as a receipt in advance on the Council’s balance sheet, the balance of which increased from £6,583k as at 31st March 2018 to £8,350k as at 31st March 2019, as fewer receipts were used to finance actual capital expenditure than those that

were received. The remaining balance will be used to finance capital expenditure from 2019/20 onwards. Balances and in-year movements are shown in the following table.

Agreed Service Area	Balance b/f 01/04/18 £'000	Receipts 2018/19 £'000	Expenditure 2018/19 £'000	Balance c/f 31/03/19 £'000
Housing Provision	3,104	1,393	987	3,510
Education	3,311	1,629	2,189	2,751
Highways	82	1	0	83
Local Economy	0	2,164	158	2,006
Community Facilities	86	0	86	0
Total	6,583	5,187	3,420	8,350

3.14 Investment Fund and Growth Fund

3.14.1 To help support the achievement of sustainable savings and income, the Council has set aside funding in the Investment Fund earmarked reserve (formerly known as the Economic Development and Investment Fund) to contribute towards the Council's economic development and investment opportunities. To date, total funding of £84.5m has been placed in the Investment Fund earmarked reserve, with a further £20.3m of capital receipts earmarked to supplement this, and £39.2m placed in the Growth Fund earmarked reserve.

3.14.2 Appendix 3 provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £114.5m have been approved (£85.5m on Investment Fund, and £29.0m on Growth Fund), and the uncommitted balances as at end of March 2019 stand at £19.3m for the Investment Fund and £10.1m for the Growth Fund

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in "Building a Better Bromley".

5. FINANCIAL IMPLICATIONS

5.1 There was no requirement for a General Fund contribution to finance capital expenditure in 2018/19, although there were earmarked revenue contributions totalling £3.1m towards the cost of specific capital schemes, mainly from the Growth Fund for Bromley High Street Improvements (£1.1m) and Site G related acquisitions (£0.8m), as well as the MyTime Investment Fund contribution (£0.7m). The provisional revenue outturn is reported elsewhere on the agenda.

5.2 Capital receipts totalling £29.3m were available as at 31st March 2019 to finance future capital spending priorities compared to an estimate of £35.2m in February. This is mainly due to a lower level of capital receipts received during the year than anticipated, as well as an increase in the use of receipts for capital financing. Capital grants and contributions totalling £31.0m and Section 106 receipts of £8.4m also remain available to finance future capital spend.

5.3 Post-completion reports on capital schemes have been (and will continue to be) submitted to PDS Committees within 12 months of completion. A revised Capital Programme and capital financing statement will be included in the next quarterly monitoring report to be considered at the July meeting of the Executive.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Provisional Final Accounts 2018/19, Executive 21 st May 2019; Capital Programme Monitoring Q3 2018/19 & Capital Strategy 2019 to 2023, Executive 13 th February 2019; Capital Programme Monitoring Q3 2017/18 & Annual Capital Review 2018 to 2022, Executive 7 th February 2018.

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Portfolio / Scheme	Final	Final	Variation	Rephased	Comments
	Approved			into 19/20	
	Budget	Outturn			
	£m	£m	£m	£m	
Education, Children and Families Portfolio					
Basic Needs	11.1	10.1	Cr 1.0	1.0	Slippage due to scheme delays
Glebe expansion works	0.4	0.0	Cr 0.4	0.4	Retention and final accounts to be agreed
Capital Maintenance in Schools	0.9	0.3	Cr 0.6	0.6	Slippage due to small schemes delayed
Schools Access Initiative	0.2	0.0	Cr 0.2	0.2	Awaiting final invoice payments
Other Schemes	1.1	1.0	Cr 0.1	0.1	No significant variations
	13.7	11.4	Cr 2.3	2.3	
Adult Care and Health Portfolio					
Social Care Grant 2011-13 settlement	0.2	0.3	0.1 Cr	0.1	Overspend on main scheme which has now come to a close
Other schemes	0.1	0.0	Cr 0.1	0.1	
	0.3	0.3	0.0	0.0	
Environment & Community Portfolio					
Beckenham Town Centre Improvements	2.4	2.0	Cr 0.4	0.4	Slippage due to scheme delays
LIP Formula Funding	3.0	1.5	Cr 1.5	1.5	Slippage due to scheme design delays
Widmore Road - BNV	0.3	0.0	Cr 0.3	0.3	Slippage due to scheme design delays
Local Highways Maintenance (Potholes)	1.1	1.1	0.0	0.0	no variation
Highways Investment	4.2	2.6	Cr 1.6	1.6	Slippage due to scheme delays related to contractor changes and scheme sign-off
Maintenance	0.6	0.2	Cr 0.4	0.4	Slippage due to scheme delays
Other schemes	0.6	0.1	Cr 0.7	0.7	slippage due to scheme delays
	12.2	7.3	Cr 4.9	4.9	
Public Protection & Enforcement Portfolio					
CCTV Control room refurbishment	0.0	0.0	0.0	0.0	scheme completed
	0.0	0.0	0.0	0.0	
Renewal, Recreation & Housing Portfolio					
Bromley MyTime Investment Fund	2.3	2.2	Cr 0.1	0.1	Balance to be removed
Biggin Hill Memorial Museum	1.5	1.9	0.4 Cr	0.4	Overspend reducing available budget in 2019/20
Renovation Grants - Disabled Facilities	1.3	1.3	0.0	0.0	no variation
Gateway Review of Housing IT system	0.2	0.3	0.1 Cr	0.1	Overspend reducing available budget in 2019/20
PIL - Properties Acquisitions and Site K	0.1	0.0	Cr 0.1	0.1	slippage due to scheme delays
Crystal Palace Park Improvements	1.3	1.2	Cr 0.1	0.1	slippage due to scheme delays
Affordable Housing	0.8	0.8	0.0	0.0	no variation
Other schemes	3.3	3.2	Cr 0.1	0.1	No significant variations
	10.8	10.9	0.1 Cr	0.1	
Resources, Commissioning & Contracts Management Portfolio					
Property Investment Fund	0.1	0.1	0.0	0.0	no variation
IT Transformation	0.2	0.1	Cr 0.1	0.1	Slippage due to invoices not submitted
Upgrade of MS Dynamics CRM	0.3	0.3	0.0	0.0	no variation
Other schemes	0.2	0.5	0.3 Cr	0.3	No significant variations
	0.8	1.0	0.2 Cr	0.2	
Total	37.8	30.9	Cr 6.9	6.9	
Less: assumed slippage for financing purposes	Cr 5.0	-	5.0	5.0	
Total (net of slippage)	32.8	30.9	1.9	1.9	

CHANGES TO CAPITAL PROGRAMME DURING 2018/19

APPENDIX 2

	2018/19
	£'000
Approved Capital Programme - 7th February 2018	76,603
30 Hours Childcare IT scheme	15
Disabled Facilities Grant (DFG)	178
Biggin Hill Memorial Museum	116
Normal Park Athletics Track	300
West Wickham Leisure Centre & Library Development	993
Central Depot Wall Scheme	716
Re-phasing from 2017/18 into 2018/19	11,291
Executive March 2018 and May 2018 Capital Outturn	90,212
Penge & Anerley Libraries - 46 Green Lane	Cr 1
Increase in TFL funding for Highways and Traffic schemes	472
Widmore Centre	129
Healthy Pupils Capital Fund	29
Performance Management / Children Services - Information Tech	26
Social Care Grant 2011/12 to 2012/13 settlement	Cr 26
Anerley Town Hall Library Provision	Cr 36
Depot Improvement Works	300
Rephasing from 2018/19 to Future Years	Cr 14,666
July 2018 Capital Monitoring	76,439
PCT Learning Disability reprovision programme - Walpole Road	Cr 300
Bromley High St Improvements	415
Basic Need	596
Amendment in TfL funding for Highways and Traffic schemes	Cr 192
The Woodlands Improvements Programme	Cr 4
Betts Park Canal Bank Stabilisation Project	Cr 8
Housing Development Feasibility	50
Housing Payment in Lieu Fund - unallocated	Cr 1,006
Affordable Housing Scheme	800
Property Acquisitions (PIL)	206
Rephasing from 2018/19 to Future Years	Cr 28,311
November 2018 Capital Monitoring	48,685
Local Highways Maintenance (PotHoles)	1,117
IT Transformation	1,238
Removal of Existing IT Schemes	Cr 420
Reinstatement of Betts Park Canal Bank Stabilisation Project	8
Langley Park Boys School (BSF)	Cr 3
Basic Need	3
Capital Maintenance in Schools	405
DFG Additional Funds 2018/19	233
Rephasing from 2018/19 to Future Years	Cr 14,153
February 2019 Capital Monitoring	37,113
Bromley MyTime Investment Fund (subject to approval)	671
Latest Approved Budget for 2018/19	37,784
Assumed Slippage for financing purpose	Cr 5,000
Total (net of slippage)	32,784

<u>Investment Fund</u>	£'000
<u>Revenue Funding:</u>	
Approved by Executive 7th September 2011	10,000
Approved by Council 27th February 2013	16,320
Approved by Council 1st July 2013	20,978
Approved by Executive 10th June 2014	13,792
Approved by Executive 15th October 2014	90
Approved by Executive 26th November 2014 (Transfer to Growth Fund)	Cr 10,000
New Home Bonus (2014/15)	5,040
Approved by Executive 11th February 2015 (New Homes Bonus)	4,400
Approved by Executive 10th June 2015	10,165
Approved by Executive 2nd December 2015 (New Homes Bonus)	141
Approved by Executive 10th Feb 2016 (New Homes Bonus)	7,482
Approved by Executive 6th December 2017	3,500
Approved by Executive 21st May 2018	2,609
	<hr/> 84,517
<u>Capital Funding*:</u>	
Approved by Executive 11th February 2015 (general capital receipts)	15,000
Approved by Executive 2nd December 2015 (sale of Egerton Lodge)	1,216
Approved by Executive 7th November 2017 (Disposal of 72-76 High St)	4,100
	<hr/> 20,316
Total Funding Approved:	<hr/> 104,833
<u>Property Purchase</u>	
Approved by Executive 7th September 2011 (95 High St)	Cr 1,620
Approved by Executive 6th December 2012 (98 High St)	Cr 2,167
Approved by Executive 5th June 2013 (72-76 High St)	Cr 2,888
Approved by Executive 12th June 2013 (104 - 108 High St)	Cr 3,150
Approved by Executive 12th February 2014 (147 - 153 High St)	Cr 18,755
Approved by Executive 19th December 2014 (27 Homesdale)	Cr 3,938
Approved by Executive 24/03/15 (Morrisons)	Cr 8,672
Approved by Executive 15/07/15 (Old Christchurch)	Cr 5,362
Approved by Executive 15/07/15 (Tilgate)	Cr 6,746
Approved by Executive 15/12/15 (Newbury House)	Cr 3,307
Approved by Executive 15/12/15 (Unit G - Hubert Road)	Cr 6,038
Approved by Executive 23/03/16 (British Gas Training Centre, Thatcham)	Cr 3,666
Approved by Executive 15/06/16 (C2 and C3)	Cr 6,394
Approved by Executive 14/03/17 (Trinity House)	Cr 6,236
Approved by Executive 1st December 2017 (54 Bridge Street, Peterborough)	Cr 3,930
	<hr/> Cr 82,869
<u>Other Schemes</u>	
Approved by Executive 20th November 2013 (Queens's Garden)	Cr 990
Approved by Executive 15th January 2014 (Bromley BID Project)	Cr 110
Approved by Executive 26th November 2014 (BCT Development Strategy)	Cr 135
Approved by Executive 2nd December 2015 (Bromley Centre Town)	Cr 270
Approved by Executive 15th June 2016 (Glades Shopping Centre)	Cr 400
Approved by Executive 11th January 2017 (Disposal of Small Halls site, York Rise)	Cr 46
Valuation for 1 Westmoreland Rd	Cr 5
Valuation for Biggin Hill - West Camp	Cr 10
Growth Fund Study	Cr 170
Crystal Park Development work	Cr 200
Civic Centre for the future	Cr 50
Strategic Property cost	Cr 258
Total further spending approvals	<hr/> Cr 2,644
Uncommitted Balance on Investment Fund	19,320

* Executive have approved the use of specific and general capital receipts to supplement the Investment Fund

<u>Growth Fund:</u>	£'000
<u>Funding:</u>	
Approved by Executive 26th November 2014 (Transfer from Investment Fund)	10,000
Approved by Executive 2nd December 2015	6,500
Approved by Executive 23rd March 2016	6,000
Approved by Executive 15th June 2016	7,024
Approved by Executive 22nd March 2017	4,000
Subject to approval by Executive 20h June 2017 (Provisional final accounts 2016/17)	3,311
Approved by Executive 21st May 2018	2,319
Total funding approved	<u>39,154</u>
<u>Schemes Approved and Committed</u>	
Approved by Executive 24th March 2015 (Housing Zone Bid (Site G))	Cr 2,700
Approved by Executive 24th March 2015 ((Site G) - Specialist)	Cr 200
Approved by Executive 18th May 2016 (Feasibility Studies and Strategic Employment Review)	Cr 180
Approved by Executive 18th May 2016 (Broadband Infrastructure Investment)	Cr 50
Approved by Executive 20th Jul 2016 (BID - Penge & Beckenham)	Cr 110
Approved by Executive 1st Nov 2016 (19-25 Market Square)	Cr 10,705
Approved by Executive 1st Nov 2016 (63 Walnuts)	Cr 3,804
Approved by Executive 22nd March 2017 (Council 10th April 2017) - Bromley Town Centre Public Realm im	Cr 2,844
Approved by Executive 7th November 2017 - Bromley Town Centre and Public Realm	Cr 464
Approved by Executive 17th October 2018 (Bromley Town Centre - Mirrored Canopies & Shops)	Cr 415
Approved by Executive 22nd March 2017 - Project Officer cost Bromley Town Centre Public Realm improve	Cr 40
Approved by Executive 22nd March 2017 - Community Initiative	Cr 15
Approved by Executive 24th May 2017 - Feasibility Works/Property Disposal	Cr 250
Renewal Team Cost	Cr 310
Approved by Executive 28th November 2018 (Housing Development Feasibility)	Cr 100
Approved by Executive 27th March 2019 (West Wickham BIDt)	Cr 75
Total further spending approvals	<u>Cr 22,262</u>
<u>Schemes Approved, but not yet committed</u>	
Approved by Executive 26th November 2014 (for Biggin Hill and Cray Valley)	Cr 6,790
Uncommitted Balance on Growth Fund	10,102

Report No.

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Executive**

Date: **21st May 2019**

Decision Type: Non-Urgent Executive Key

Title: **REGIONALISATION OF ADOPTION SERVICES**

Contact Officers: Vicky West, Head of Adoption, Fostering and Resources
Tel: 020 8313 7219 E-mail: vicky.west@bromley.gov.uk

Chief Officer: Janet Bailey Director Children Services

Ward: (All Wards);

1. Reason for report

- 1.1 The Education and Adoption Act 2016 obliges local authorities to deliver adoption services on a regional basis through Regional Adoption Agencies (RAA). The Department for Education (DfE) may direct a local authority to join a RAA where progress has not been made to join one by 2020.
 - 1.2 On 11th January 2017, Executive agreed in principle to join a London RAA and delegated authority to the Director of Children's Services to develop suitable arrangements.
 - 1.3 In November 2017, the Portfolio Holder for Education, Children and Families, in agreement with the Director of Children's Services, agreed to pursue the development of the 'Ambitious for Adoption, CORAM Capital' RAA as its preferred RAA model, in partnership with the local authorities of Harrow, Redbridge, Hillingdon, Slough, Waltham Forest and City and the delivery partner CORAM. This model was approved by DfE on 1 November 2018 and will go live on 10th May 2019 with Bromley going live in June.
 - 1.4 This paper seeks approval from Executive to formally enter into the 'Ambitious for Adoption, CORAM Capital' RAA arrangement, via a joint contract between the participating local authorities and CORAM for a six year contract with two extension options of two years (6+2+2). The annual value of the contract for Bromley is £386k with a whole life value of £3.86M.
-

2. RECOMMENDATIONS

2.1 Executive is recommended to:

- i) Approve that Bromley Council enter into the 'Ambitious for Adoption, CORAM Capital' RAA arrangements via a joint contract with participating local authorities for a period of six years with two extension options of two years each, commencing 1 June 2019 at an annual value of £386k and a whole life value of £3.86M;**
- ii) Delegate authority to the Director of Children's Social Care, in consultation with the Portfolio Holder, the Director of Corporate Services, the Director of Finance and the Assistant Director Governance & Contracts, to finalise suitable contractual arrangements (including any relevant TUPE requirements) between the participating boroughs and the service provider to form the RAA; and to approve the available extension options at the due time.**

Impact on Vulnerable Adults and Children

1. **Summary of Impact:** The arrangements for regionalising adoption services are designed to ensure that vulnerable children (where adoption is considered to be in their best interest) achieve permanency without delay. The RAA model will therefore strengthen the current process for placing our children for adoption and will avoid/prevent drift and delay in obtaining adoptive placements for our children.
-

Corporate Policy

1. Policy Status: New Policy
 2. BBB Priority: Children and Young People
-

Financial

1. Cost of proposal: £386,050
2. Ongoing costs: £386,050 per annum on a 6+2+2 basis
3. Budget head/performance centre: Adoption Service 833110
4. Total current budget for this head: £1,216k
5. Source of funding: Core

Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: 1 Team Manager, 4 Senior Practitioners
-

Legal

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

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

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

3. COMMENTARY

- 3.1 In March 2016, the Government announced intended changes to the delivery of adoption services, setting a clear direction that all local authorities' adoption services **must** be delivered on a regional basis no later than 2020. This followed a range of national policy changes since 2012, including the 2015 'Regionalising Adoption' paper by the Department for Education (DfE) that sought improvements in adoption performance.
- 3.2 Following the General Election in June 2017, the Minister of State for Children and Families reaffirmed commitment to this policy, through provisions made in the Education and Adoption Act 2016.
- 3.3 In March 2018, the DfE commenced implementation of that legislation allowing them to direct any local authority into a Regional Adoption Agency (RAA) if no progress is being made by the LA in becoming part of a RAA.
- 3.4 There will be five RAAs across London, these being:

Adopt London South
Adopt London East
Adopt London West
Adopt London North
Ambitious for Adoption, CORAM Capital

- 3.5 The Key policy objective of the Regional Adoption Agencies aims to:

- Speed up the matching process for children where adoption is the plan and to increase the numbers of children adopted
- Improve Adopter recruitment for harder to place children (*older children, larger sibling groups, disabled children, those with special educational needs, and children from black and other ethnic minority backgrounds*)
- Reduce the length of time children wait to be adopted
- Improve post-adoption support services to families who have adopted children from care;
- Reduce the number of agencies that provide adoption services thereby improving efficiency & effectiveness.
- Enhance the adoption support provision

- 3.6 A number of possible models were explored and Bromley Council formally agreed to join 'Ambitious for Adoption, CORAM Capital' in November 2017.

- 3.7 'Ambitious for Adoption, CORAM Capital' will consist of 7 Local Authority Adoption Services and one Voluntary Adoption Agency, these being:

Harrow	City of London	Bromley
Redbridge	Slough children's Trust	Waltham Forest
Hillingdon	CORAM	

3.8 Each borough and agency is committed to building on the success of their existing services and seeks to improve performance further in relation to children whose needs will be best met through adoption by bringing together the best practice from each authority within the RAA. 'Ambitious for Adoption' will be efficient and effective use of resources and development of practice to the benefit of children, adopters and stakeholders.

Progression

- 3.9 'Ambitious for Adoption, CORAM Capital' is a RAA commissioned from the established outstanding voluntary adoption agency, Coram Capital. All RAA must have a lead Local Authority. The London Borough of Harrow is the lead for the participating LA's (Harrow, Bromley, Redbridge, City of London, Waltham Forest, Hillingdon and Slough Children's Trust). Due diligence in procurement and legal advice led to the award of the contract to Coram Capital on the 21st November 2018, as the legal entity to mobilise/provide the RAA service.
- 3.10 'Ambitious for Adoption, CORAM Capital' is planned to go live with the first Local Authorities on the 10th May 2019 with Bromley and Slough migrating shortly after in June.
- 3.11 The current transition/project costs are borne by the Department for Education.

4. SUMMARY OF THE BUSINESS CASE

- i) All Local Authorities must be part of an RAA by 2020.
- ii) This paper seeks approval to join the Ambitious for Adoption, CORAM Capital RAA.

4.1 SERVICE PROFILE/DATA ANALYSIS

4.1.1 Ambitious of Adoption CORAM Capital, will deliver the following main services across the regions:

- Recruitment, preparation and assessment of adopters
- Adoption and matching panel framework
- Early permanence delivery
- Family finding & Matching
- Adoption support services pre and post placement
- International adoption by subcontract from the RAA

4.1.2 The following functions will remain within each Local Authority and are currently out of scope of the RAA

- The ADM decision for the child will remain with Bromley's Director of Children's Services
- Adoption Allowances remain with each individual local authority
- Special Guardianship and support of special SGO placements
- Non-Agency Adoptions

Restructure

4.1.3 Prior to commencement of the RAA, it was recognised that the service was in need of a full restructure to support the new service provision. A restructure of the Adoption, Fostering and Connected Person service within the Council's Education, Care and Health

Services Department, following a management review of the strategic functions of the service commenced in March 2019.

4.1.4 The proposed new structure was designed to enable services to strengthen and provide better value for money and to ensure that the entire service is fit for purpose in going forward.

4.1.5 The new Permanency Service is summarised below, with a summary of functions and the staffing establishment.

New Permanency Service

Functions

- Strategical oversight of the RAA
- Family finding
- Financial assessments and payments
- Out of Hours support
- Non- Agency Adoption
- Fostering recruitment
- Fostering Support
- Fostering project development
- Early Permanency
- SGO support
- Connected Persons Support
- SGO court assessment
- Birth family support
- Therapeutic services

4.1.6 The new restructure is outlined below and comprises of 41 posts.

New Permanency Staffing Establishment

- 1 x Head of Service
- 2 x Group Manager
- 4 x Team Manager
- 16 x Senior Practitioners
- 10 x Social workers
- 4 x Social Work Assistants
- 3 x Business Support Officers
- 1 x Finance officer

4.1.7 Bromley aims to move forward into the new RAA which will allow the following benefits to be achieved:

- Better timeliness of adoption matching with central tracking of children and adopters.
- Reduction in bureaucratic processes so they are not replicated numerous times in each local authority. Centralised management and administration of adoption panels, including health.
- Recruitment will be driven by the needs of a larger cohort of children who are waiting to be matched. Family finding social workers will be clearer about the adopters who are available and the children requiring placement across a wider cohort.
- Social workers will have immediate access to a larger pool of adopters when carrying out the matching process. This is likely to speed up the matching and maintain adopted children in their regional areas.
- There is increased choice, consistency and availability of support services in relation to post adoption support.

4.1.8 Mechanisms will be established which will provide an overview of those children coming into the care system and this will provide an opportunity to develop early planning with protocols.

Risks

4.1.9 The development of a regional adoption agency risks dislocating adoption services from the social work teams which work with children. Services may become fragmented leading to delay for children. All participating councils are aware of this risk; close engagement of social work teams for children is planned and will be over seen by the Head of Service - Permanency.

4.1.10 Close monitoring of adoption delay and rates of adoption is now in place at national, regional and council level to closely track any changes. Bromley's Head of Service of Permanency and the Agency Decision Marker (ADM) will retain responsibility for **our** children when the care plan is Adoption.

4.1.11 The Council currently has direct control over its adoption service; regionalisation has the potential to dilute this.

4.1.12 Disruption during the period of transition when managers/staff could become focussed on the change process rather than service delivery which may lead to delays in plans for children.

4.1.13 Adopters may lose confidence during the change process resulting in the potential for fractured relationships and breakdown in service delivery.

4.1.14 There are likely to be a number of legal issues and risks regarding contracts, procurement and transfer of functions into the RAA.

4.1.15 Key risks and issues will be identified as part of the future project planning.

4.2 OPTIONS APPRAISAL

4.2.1 Doing nothing is not a viable option. The DfE has made it clear that regionalisation will become mandatory. Any local authority not part of an RAA by 2020 will risk a direction being made for its services to be provided by another local authority or adoption agency. This would remove any choice of a Local Authority to deliver services which best meet its profile.

- 4.2.2 Joining another RAA, other than Ambitious for Adoption, is another option. The only other option in London is to join the other London Regional Adoption Agency arrangements which are a hub and spokes model based on current London consortiums as detailed in paragraph 3.4. However Bromley chose not to take this route due to the large number of Local Authorities which would dilute its bespoke service to children and potential adopters.
- 4.2.3 A further option is create our own model. Any new agency being developed would have the same timescale requirements and would need to access development funding independently. A subdivided London would lose the benefit of the wider pool of adopters and the standardisation of service offering. In addition it is not certain that sufficient other local authorities would join us in the development of an alternative model given that every other London borough has already been involved in the development of the option developed by LRAA or CORAM.
- 4.2.4 The final option is to join the Ambitious for Adoption RAA run by CORAM. This RAA will be small in comparison to the LRAA with just 6 local authorities and CORAM meaning a more manageable transition for Bromley's Adoption services.

4.3 PREFERRED OPTION

- 4.3.1 The preferred option is join the Ambitious for Adoption RAA due to the following reasons

The Ambitious for Adoption RAA delivery model is a Hub and Spoke, with co-location of services across the authorities delivered by a registered Voluntary Adoption Agency (Coram) by direct award. Coram is one of the oldest children's charities and a leading voluntary adoption agency, judged Outstanding in all categories by Ofsted. It operates from the historic 3.5 acre Coram Campus at the heart of the Capital as the hub to distributed local centres (*in Harrow, Slough, Redbridge/Waltham Forest, Hillingdon and South London/Bromley*). Building on established relationships and best practice standards, the RAA is characterised by a focus on early placement delivery, timely family finding across agency boundaries, and proactive and preventive adoption support delivering outcomes for children in the upper quartile of national performance.

The Hub is to be integrated within the Voluntary Adoption Agency offices from a central London location providing core services.

The RAA provision will be headed up by a Service Lead for the RAA with oversight and contract accountability to the RAA Strategic Governance Board. The RAA Service Lead will take responsibility for the leadership and management of the RAA including:

Sufficiency planning.

Inspection readiness and reporting.

Adoption Panel Management and Administration.

Contract supervision for fulfilment of sub-contracted/commissioned services (including peer support, inter-country adoption and birth family support).

Operational compliance and resilience including GDPR for children.

RAA contract compliances and all statutory requirements associated with adoption services.

Staff leadership, supervision and case management.

4.4 MARKET CONSIDERATIONS

- 4.4.1 As set out in paragraph 3.5 there are 5 RAA's across London varying in size and make up. Currently each local authority has its own adoption team.
- 4.4.2 Joining the Ambitious for Adoption RAA will provide a wider pool of adopters along with a more efficient matching process.

5. STAKEHOLDER ENGAGEMENT

- 5.1 Throughout the process the Director of Children's Services has been heavily involved and has sat on the Strategic Development board.
- 5.2 The Portfolio Holder for Children and Families has also been engaged with and kept up to date with progress.
- 5.3 A Project Board has also been developed in order to aid the process of joining the RAA. The project board is chaired by the Head of Service - Adoption and consists of HR, IT, Information Assurance, Legal and Commissioning.

6. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

- 6.1 **Estimated Contract Value** –£386,050 annual value, whole life value £3.86M
- 6.2 **Other Associated Costs** – n/a
- 6.3 **Proposed Contract Period** – 6 years plus 2 plus 2
- 6.4 Coram was awarded the contract by Harrow, as the lead borough, to act as a commissioned Voluntary Adoption Agency to develop and carry out the functions of a new RAA in August 2018. This was via a direct award covered by Section 32 of the Public Contracts Regulations (2015). Participating local authorities are now required to sign up to the contract as joint signatories.
- 6.5 A Procurement Board was established to manage this process in order to ensure it was carried out fairly and agreed by all boroughs. Bromley have been part of this process since the start.

7. SUSTAINABILITY AND IMPACT ASSESSMENTS

- 7.1 This decision has been judged to have no or a very small impact on local people and communities.

8. POLICY CONSIDERATIONS

- 8.1 Improving Bromley's capacity to provide more effective and appropriate adoption services is a key objective for Children's Social Care and contributes towards '*Achieving our Aspirations, Roadmap to Excellence*'.

9. IT AND GDPR CONSIDERATIONS

- 9.1 The Council shall undertake all necessary risk assessment and due diligence procedures mandated by data protection laws including the completion of a Data Protection Impact

Assessment for Bromley responsible and accountable functions within the RAA to append any centralised assessment for the overall structure

- 9.2. The Council shall ensure that there is adequate and proportionate governance procedures in place to protect the rights and freedoms of service users, council reputation and liability
- 9.3. The Council shall ensure that there are adequate and proportionate implementation of technical and organisational controls in order to protect information and prevent the abuse of physical and logical assets via access controls and that associated contracts, MOU's and sharing agreements protect Council interests.
- 9.4 The Council shall have in place suitable mechanisms to be able to comply with its statutory obligations under the GDPR and UK Data Protection Act including, but not limited to
 - Breach notification and reporting
 - Handling rights of the data subject
 - Records management

10. PROCUREMENT RULES

- 10.1 This report seeks agreement for Bromley's Adoption Service to join '*Ambitious for Adoption, CORAM Capital*' to form part of a Regional Adoption Agency and will consist of 7 Local Authority Adoption Services and one Voluntary Adoption Agency.
- 10.2 This action is permissible under the general waiver power of the Council (CPR 3.1). The Council's specific requirements for authorising this agreement are covered in CPR 13 with the need to seek Approval of the Portfolio Holder following Agreement by the Chief Officer, in consultation with the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance, for a contract of this value.
- 10.3 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

11. FINANCIAL CONSIDERATIONS

- 11.1 The total annual cost of this proposal will be £386,050. However this is made up of controllable and non-controllable costs as detailed in the table below:-

New RAA Budget	
Expenditure Type	2019-20 full Year budget £'000
Staffing costs	262
Promotion of Foster Care	5
Adoption Panel Expenses	22
Other RAA running costs	46
CONTROLLABLE TOTAL	335
Insurances	1
Administration Buildings	11
Computer Charges	29
Strategic & Business Support Services Recharge	10
NON CONTROLLABLE/CORPORATE RECHARGE	51
TOTAL BUDGET	386

11.2 The funding transferred to Coram would amount to £335k, which would cover staffing and running expenses, etc. However there would be other costs incurred by Coram by being situated within the LBB civic centre site buildings. These costs amount to an estimated £51k. This brings the total value of the arrangement to £386k.

11.3 This figure would be subject to change if staffing were to relocate, etc

11.4 This cost will be met from existing resources within the current Adoption Team 2019-20 revenue budget. The actual cost for 2019-20 will be for a part year, with the start date expected to be 1st June 2019 (subject to confirmation).

12 PERSONNEL CONSIDERATIONS

12.1 The key Personnel considerations are as follows. Currently there are 47 posts in the service of which 5 posts, 1 x Team Manager and 4 x Senior Practitioner, were subject of a TUPE transfer to the RAA. As a result of the restructure outlined in 4.1.3, and with the agreement of the transferee (RAA), four of these post holders including the Team Leader, have elected to be assimilated into the remaining New Permanency Service.

Therefore only one person at a Senior Practitioner level will be transferring to the RAA with the agreement of the individual and the RAA. These arrangements are consistent with the provision of TUPE Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended (2014) and will be managed in accordance with Council policies and procedures and with due regard for the existing framework of employment law.

13 LEGAL IMPLICATIONS

13.1 The recommendations to this report are seeking approval to join the Ambitious for Adoption, CORAM Capita Regional Adoption Agency (RAA).

13.2 The Council have various legal powers to join the RAA in particular by virtue of the Education and Adoption Act 2016 as explained elsewhere in this report. The report at paragraph 1.3

confirms this RAA Model has been approved by the Department of Education on the 1st November 2018.

- 13.3 Under paragraph 12 of the report Personnel Considerations, officers have set out the staffing implications and the position under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as amended (2014) (TUPE Regulations).
- 13.4 Officers have been developing this RAA model with other partners under an updated Memorandum of Understanding dated 10th October 2018. Paragraph 3.9 of the report confirms an award of an initial contract to Coram Capital on the 21st November 2018. Paragraph 6.4 to this report confirms the award being compliant with CPR's and the exemption to allow a direct award under Regulation 32 of the Public Contracts Regulations 2015. The RAA model requires a new service contract for the 6 years (2 plus 2) which is to be with the same service provider and the same exemptions under the Regulations and CPR's. Any Tupe transfers of staff will be to the service provider Thomas Coram Foundation For Children (Coram) under the service contract. Given the very tight timescales, details of the service contract need to be considered and agreed by Officers and any TUPE Information and Consultation required under the TUPE Regulations is complied with together with the issues mentioned in paragraph 4.1.14 Risks section of this report. Such decisions are intended to be in accordance with the specific officer delegations set out in the Recommendations to this report.

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

Report No.
DRR 19/027

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE
For pre decision scrutiny by the Renewal, Recreation and Housing Policy, Development and scrutiny Committee on 7 May 2019

Date: Executive - 21 May 2019

Decision Type: Non Urgent Key

Title: WEST WICKHAM LEISURE AND LIBRARY REDEVELOPMENT

Contact Officer: Alicia Munday, Strategic Commissioning Manager
Tel: 020 8313 4559 E-mail: Alicia.Munday@bromley.gov.uk

Chief Officer: Colin Brand, Director of Regeneration

Ward: West Wickham

1. Reason for report

- 1.1 This report updates Members on the progress of the West Wickham Leisure and Library Development and the feasibility study.
-

2. RECOMMENDATION(S)

The Renewal, Recreation and Housing PDS Committee are asked to note and comment on the content of this report, prior to the Executive being asked to:

- 2.1 Approve the recommended design concept set out, as set out in para 5.
- 2.2 Approve market engagement with Developers and Housing providers in relation to the tenure of the housing provision.
- 2.3 Note that a Detailed Design with cost estimates will be presented to the Executive in July, prior to applying for Planning Consent.

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Excellent Council Supporting Independence:
-

Financial

1. Cost of proposal : Not known at this time
 2. Ongoing costs: Not applicable at this stage
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £993k
 5. Source of funding: 2017/18 Central Contingency
-

Staff

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

Legal

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

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments:
Meetings have been held with Ward members throughout the design feasibility process, and Members have been actively engaged in working with officers to define the optimum design, in terms of facilities for the community as well as financial requirements.
Officers have attended meetings with service users, as well as local clubs that utilise the existing facilities in order to obtain feedback.

3. BACKGROUND

- 3.1. The West Wickham Leisure and Library facilities are both well utilised sites; however, both sites are outdated and will over the short and long term require significant investment in terms of maintenance. In 2017 Officers instructed Cushman and Wakefield, under the total Facilities Management (TFM) Contract, to undertake a high level feasibility and viability study to consider how to provide new leisure and library facilities at the site of the existing West Wickham leisure Centre; supported financially through the sale of the two sites as residential development opportunities to a developer. This work was undertaken, and the initial capacity study indicated that a new leisure centre, to Sports England specifications, and a library facility matching the equivalent space, could be accommodated on the existing leisure centre site, with remaining capacity for approximately 73 residential flats, plus a further capacity of 18 residential units on the existing library site.
- 3.2. The estimated cost to the Council of the redevelopment of the facility was originally in the region of £1.3m. This was based on the estimated costs of re-provision of leisure and library facilities, plus residential units on the existing leisure site, of £30.5m, with the estimated costs of the residential units on the existing library site of £5.4m. The total cost of the provision of the scheme amounting to £35.9m, to be borne by a developer (this sum allowed for developer profits). The anticipated disposal receipts of the 2 residential developments were estimated to be in the region of £34.6m (£28.3m leisure sites and £6.3m library site). These cost assumptions were based upon private residential units only.
- 3.3. Based upon the above information, in March 2018, the Executive (Report No. DPR 08/081) considered and approved recommendations to scope the potential of re-providing the facilities in further detail.

4. CONCEPT DESIGN UPDATE

- 4.1. The detailed feasibility work, commenced in October 2018, following the successful appointment of Perfect Circle, a built environment consultancy, who are utilising the expertise of Pick Everard and Montagu Evans.
- 4.2. The feasibility work has focussed on the key principles provided in the brief:
 - A new community facility, incorporating a quality designed library and leisure centre
 - A leisure centre that complies with Sports England Standards
 - Maximise residential land value
- 4.3. The earlier feasibility work undertaken by Cushman and Wakefield, indicated a shortfall of £1.3m in funding of a new facility, which was anticipated could be recouped via the rental income of a leisure provider over a 15 year period. The original feasibility work had also only considered the private sale of residential units. However, the more detailed feasibility work has seen costs rise, therefore increasing the net shortfall. The rise in costs has been due to the following key factors:
 - Rise in construction costs
 - Lower residential value
 - Inflation
 - Developers profit (or constructors profit)

- 4.4 Given the continuing financial challenges facing the Council, as well as shortage of affordable housing, the detailed feasibility work has therefore focussed on meeting the development requirements, whilst reducing the Capital funding requirements from the Council.
- 4.5 A key consideration has been the tenure of the residential units that could be developed on site, which if given to affordable housing have the option to reduce the Council's spend on temporary accommodation. The growth in the potential capital financing requirement has resulted in the officers reviewing the mix of residential units on the site(s) to ensure best value for the overall programme going forward, including giving consideration to affordable housing options. Whilst this has added some time to the current programme, this has been a significant piece of work.
- 4.6 If the recommendation to proceed with a development is taken, the mix of tenure will continue to be explored in order to inform the most optimum mix of residential dwellings in order to meet housing needs across the Borough and will form part of the planning process, and would therefore be included in any final recommendations to the Executive.

5. OPTIONS APPRAISAL

5.1 After various iterations with the Design Team, informed by Ward member briefings and feedback from engagement meetings with stakeholders, the following options are now being presented to the Executive for consideration.

5.2 **Option 1:** Withdraw Funding/Investment Plans in West Wickham Leisure and Library Development

5.2.1 The Council could give consideration to no further plans for a new leisure centre. This will overtime give rise to increasing maintenance costs, and is likely over time to make the leisure centre non-viable to operate due to the conditions of the facilities.

5.2.2 Unless the building is 'mothballed', there will be a requirement for ongoing landlord's maintenance. The condition of the building will result in increased costs on maintenance that make the option of doing nothing, non-viable. An indicative sum of circa £2m is estimated to be required to bring the leisure centre up to date, and this would make no provision for a library on site, or any additional housing. A further investment in to the library site would also be required in order to sustain the facilities. This option is therefore not being recommended.

5.3 **Option 2** – Continue with proposed investment plans for a new leisure and library community facility, and proceed with one of the identified options set out below, noting that all options are subject to a viable financial model including funding requirements, obtaining planning permission and the selection of a development partner:

5.3.1 Option 2a: A new leisure and library development, that would provide;

- a new modern library, offering a similar capacity to the existing West Wickham library;
- a leisure centre that meets with Sports England Requirements, (noting this is a 25m lane pool, as opposed to the existing 33m lane main pool, plus a small training pool);
- 88 residential units – tenure to be determined.
- 125 car parking spaces, a split to be determined between the leisure and residential units (the current leisure centre has capacity of 65 spaces).

- The proposed development would require significant excavation of the site, increasing costs by circa £3m as well as survey fees for the level of works to be undertaken.
- Please see the Appendix for illustrations of this option.

5.3.2 Option 2b: A new leisure and library development, that would provide;

- a new modern library, offering a similar library space to that provided now.
- a leisure centre that meets with Sports England Requirements, (noting this is a 25m lane main pool, as opposed to the existing 33m lane main pool, plus a small training pool);
- 93 residential units – tenure to be determined. Provided over 2 buildings, with 61 units in the same building as the leisure, library and community facility and a further 32 units in a separate building.
- 95 car parking spaces, a split to be determined between the leisure and residential units. Members of the public have suggested that the Leisure operator could operate the car park, and whilst this would result in some income to the Council this could be offset through the leisure operator rental income stream, in addition to being an incentive for leisure centre users to utilise the car park away from street parking if able to do so for a free period.
- The proposed development significantly reduces the cost as this does not require substantial excavation works, as the car park is on ground level only. The works are also likely to be completed sooner, given the reduced excavation requirements.
- Please see the Appendix for illustrations of this option.

5.3.3 Option 2c: A new leisure and library development, that would provide;

- a new modern library, offering a similar library space to that provided now.
- a leisure centre that meets with Sports England Requirements, (noting this is a 25m lane main pool, as opposed to the existing 33m lane main pool, plus a small training pool);
- 90 residential units – tenure to be determined. Provided over 2 buildings, with 58 units in the same building as the leisure, library and community facility and a further 32 units in a separate building
- Activity space (utilising the space of 3 residential units) that would allow for activities that currently take place at the library, plus increased space for exercise and gym classes in the evening. This is also likely to increase the leisure centre rental income stream
- 95 car parking spaces, a split to be determined between the leisure and residential units. As above the leisure operator could manage the parking.
- As above, the proposed development significantly reduces the cost as this does not require substantial excavation works. There is a reduction in sales revenue or temporary accommodation savings, which increases the cost to the Council, but this, is offset in part by the increased leisure centre rent.
- Please see the Appendix for illustrations of this option.

5.4 Option 2b and 2c, also gives more flexibility in terms of considering a split of tenure, with the option to have one of the buildings for

affordable housing and one building for private sales.

6. RECOMMENDATION – PREFERRED OPTION

- 6.1 As a result of the more detailed feasibility work in conjunction with stakeholder feedback, officers are recommending that the Executive approve option 2c, and continue with detailed design work for this option and feasibility studies.
- 6.2 Option 2c, protects library facilities, in what is the 4th busiest library in the borough, will provide a modern leisure facility, with enhanced community space, as well as much needed housing supply, contributing towards the Council’s target of 641 new homes (as set out in the Local Plan), reducing pressure on housing budgets and would significantly contribute towards reducing homelessness in the Borough.
- 6.3 Introducing affordable housing also brings other benefits to the community. When new housing is developed there is a risk that this brings further pressures on other community facilities, including education, health and social care. Affordable housing ensures that the accommodation is given to Bromley residents, minimising any adverse effects on other services.
- 6.4 Affordable housing is also likely to attract grant funding for housing developers to contribute towards the viability of the scheme.
- 6.5 In order to complete the detailed design and feasibility work, the project team are seeking to undertake soft market engagement with developers and housing providers to fully determine extent of interest in such a scheme.
- 6.6 If Members approve the recommended option, an indicative timescale is set out below:

Soft market engagement with developers and housing providers	May 2019
Report to the Executive with full Cost Estimate of Development, and risk register	July 2019
Development of Detailed Design & Public Engagement	July 2019- December 2019
Report to Executive of Detailed Design (prior to planning)	February 2020
Submission of Planning Application, and Public Consultation	March – June 2020
Developer Appointment	May 2020-October 2020
Construction due to begin	April 2021
New Facility	April 2023

7. STAKEHOLDER ENGAGEMENT

- 7.1 Ward Members, existing operators, wider leisure operators and leisure service users have been engaged with to seek views on the initial concept design. In addition officers have also engaged with specific user groups of the leisure facilities as well as those that have identified a

community interest in the re-provision of the facilities. A press release, including an early illustration of the concept design has been distributed.

7.2 User groups have expressed various comments, which any detailed design and planning would take into consideration. Key themes and responses have been provided below:

Impact on local residents, including parking.	It has been suggested by local residents that parking could be managed by the leisure operator, which would ensure that leisure and library users make use of the parking facilities, alleviating parking on the local roads.
School placements and impact on other key services, such as GPs.	The Council always works across departments to manage infrastructure resources. Having some affordable housing would ensure that housing is for Bromley residents.
Temporary closure of leisure facilities	Officers have met with specific current user groups, who have been overwhelming understanding of the position of a closure, and have asked for notice to ensure they can source alternative accommodation. However it is recognised that the facilities would close for approximately 2 years for demolition and redevelopment.
Desire for a refurbishment of facilities over a new development	This is not financially advantageous. The indicative final costs of a redevelopment outweigh the costs of an entire redevelopment. A refurbishment would also not support much needed additional housing.
Relocation of the library service	The proposed new development would be a short bus ride to the current leisure centre site, and for many residents also more accessible.
Who will operate the new leisure facilities?	A competitive tender will determine the operator of any new facility.
Will the leisure centre still operate the same classes?	Any tender will consider the existing use and the needs of the community.

7.3 Further engagement and consultation is also scheduled as part of the programme plan, once full financial viability has been fully tested.

8. POLICY IMPLICATIONS

- 8.1 The Council's aims include being an authority which manages its assets well. Increasing housing supply is also set out in the homelessness strategy.

9. FINANCIAL IMPLICATIONS

- 9.1 There are no further financial implications at this stage. All the works undertaken to date have been within the agreed budget for design and feasibility of £993k.
- 9.2 Subject to Members approving the design concept, full financial implications will be presented in July, which will include a detailed cost estimate, capital financing requirements, an estimate of the ongoing leisure centre income and any potential temporary accommodation savings.

10. PROCUREMENT

- 10.1 As outlined in the preferred option 2C above, this report seeks to proceed with a soft market testing exercise to determine interest from developers and or registered housing providers in developing the site, as well as a viable route to tender.
- 10.2 The proposed soft market testing exercise will be carried out in accordance with Regulations 40 & 41 of the Public Contract Regulations 2015 and rule 9 of the Council's Contract Procedure Rules.
- 10.3 A further report will follow in July in line with recommendation 2.3 which will identify a full procurement strategy and cost estimate for the scheme.

11. LEGAL IMPLICATIONS

- 11.1 The Council needs to be mindful of its obligation under section 123 of the Local Government Act 1972 to obtain best consideration reasonably obtainable when disposing of land (other than a lease of 7 years or less) unless it has the express or general consent of the secretary of state to do otherwise
- 11.2 Any procurement will need to be carried out in full compliance with the Public Contracts Regulations 2015 (Regulations) if applicable and the Council's Contract Procedure Rules.
- 11.3 Regulation 40 of the Regulations permits the Council to carry out prior market consultation with a view to preparing for procurement and informing the market of procurement and requirements. Where such "soft market" engagement is carried out the Council will need to ensure it complies with Regulation 41 and ensure competition is not distorted by such engagement.
- 11.4 Detailed legal advice will need to be sought on the various options as the scheme develops and legal support will need to be sourced to carry out the transactions.

12. PERSONNEL IMPLICATIONS

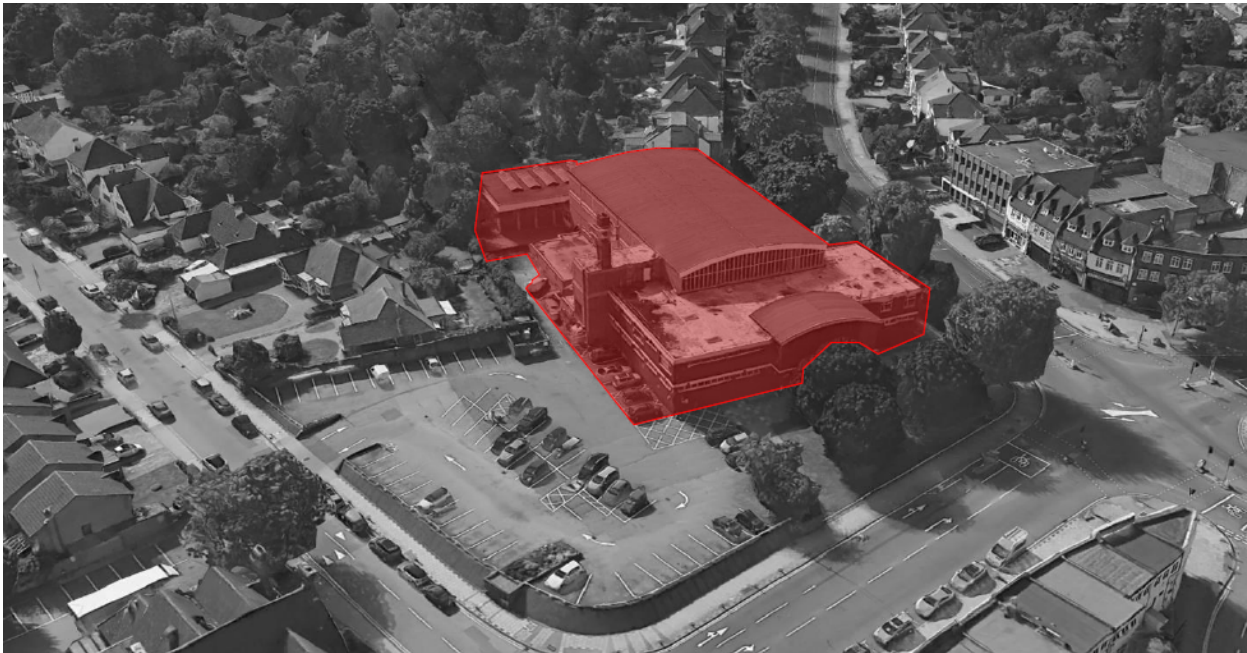
- 12.1 There are no direct personnel implications for the Council. Mytime Active is the existing leisure provider and employer of staff in the existing leisure centre in West Wickham. Under the terms of the Mytime Active lease the Council is required to give a minimum of 1 year's notice of termination of the lease. Any new leisure contract will be subject to a competitive tender.
- 12.2 Greenwich Leisure Limited are the provider for the library services, the proposed development does not affect GLL, as they are under contract until 2027/32 they will continue to be the library provider in any new facilities. The Council will work with the provider to ensure a smooth

transition of services. It is anticipated that the existing library site would remain fully operational until the new facilities are available.

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

APPENDIX

Existing Leisure Site Footprint within West Wickham



1. Car park side from Hawes Lane



2. Main Entrance from Station Road



3. Bus stop and leisure centre from Station Road



4. Vehicular access to car park



5. View down Red Lodge Road towards the leisure centre



6. Sub-station and service/delivery access



7. Towards neighbouring 39 Station Road

Option 2a

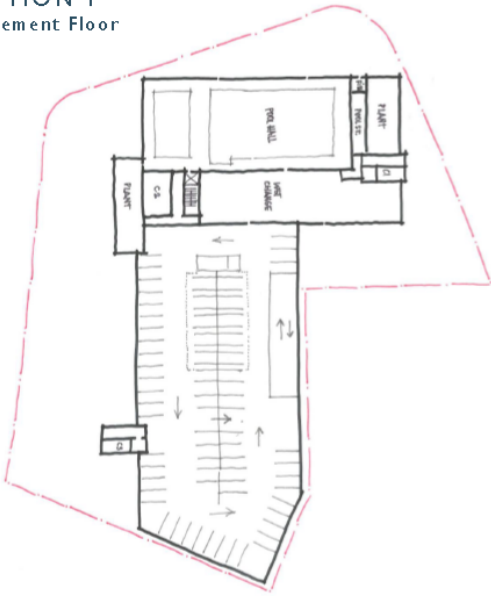
Proposed view from Main Entrance, corner of Red Lodge Road and Station Road



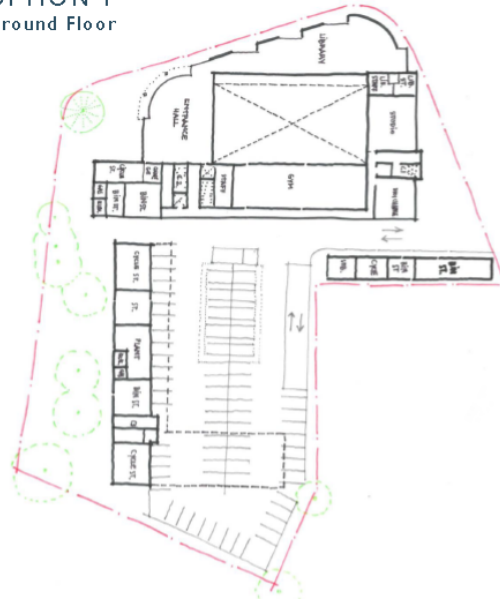
Below: Proposed view from Station Road



OPTION I
Basement Floor



OPTION I
Ground Floor



OPTION I
First Floor



Option 2b

Proposed view from Main Entrance, corner of Red Lodge Road and Station Road



Below: Proposed view from Station Road



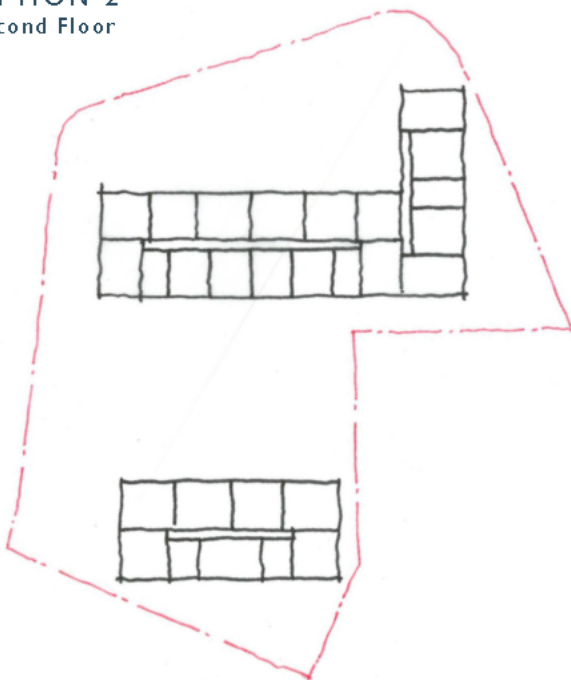
OPTION 2
Ground Floor



OPTION 2
First Floor



OPTION 2
Second Floor



Option 2c

Proposed view from Main Entrance, corner of Red Lodge Road and Station Road



Below: Proposed view from Station Road





Ground Floor



First Floor



Second Floor – 6th
Floor

Report No.

London Borough of Bromley
PART ONE – PUBLIC

Decision Maker: EXECUTIVE

For pre decision scrutiny by the Renewal, Recreation and Housing Policy, Development and Scrutiny Committee on 7th May 2019

Date: EXECUTIVE – 21st May 2019

Decision Type: Non-Urgent Executive Non-Key

Title: HOUSING TRANSFORMATION BOARD: INCREASING AFFORDABLE HOUSING SUPPLY

Contact Officer: Sara Bowrey, Director: Housing
Tel: 020 8313 4013 E-mail: sara.bowrey@bromley.gov.uk

Chief Officer: Gillian Palmer; Interim Executive Director (ECHS)

Ward: (All Wards);

1. Reason for report

- 1.1 The supply of social/affordable housing cannot keep pace with demand. The risk of insufficient housing and associated cost of temporary accommodation provision is one of the Council's major risks. Whilst the Council is engaged in a number of workstreams to tackle homelessness at source the principle mitigation is to increase housing delivery.
- 1.2 This report provides an update on the progress of the Housing Transformation Board in respect of the key workstream areas focusing on options to increase supply and speed up the rate of delivery of cost effective temporary accommodation and affordable housing supply as a direct alternative to the current reliance on use of nightly rate temporary accommodation.
- 1.3 It must be noted that these workstreams run alongside and compliment the wider range of activities enshrined on the Council's Homelessness Strategy and forthcoming Housing Strategy which seeks to ensure that homelessness is prevented or relieved wherever possible and that planning, regeneration and housing policies are aligned to support and promote wider development of housing across the Borough.
- 1.4 The accompanying report titled Gateway Report: Provision of Housing Supply in Anerley and Chislehurst further provides an update on the feasibility work undertaken in respect of Anerley Town Hall overflow car park and Banbury House, Bushell way setting out the business case and next steps for the tender for a contract for the design and build of affordable housing accommodation.

2. RECOMMENDATION(S)

- 2.1 RR&H PDS Committee is asked to note and comment on the contents of this report and support the work streams being progressed by the transformation board and timescales for future reports
- 2.2 The Council's Executive are requested to:
- (i) Note the contents of this report
 - (ii) Agree that officers appoint specialist advisors to help complete the business case for a local housing company.
 - iii) Agree that the estimated cost of £100k for the necessary specialist advice and business case production to enable full consideration of setting up a local housing company is funded from the Growth Fund.
 - iv) Agree to proceed to formal tender for a partner for a second phase of property acquisition.

Impact on Vulnerable Adults and Children

1. Summary of Impact: The initiatives set out in this report seek to ensure the provision of affordable housing to support vulnerable adults and young people into settled accommodation suitable for their needs.
-

Corporate Policy

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

Financial

1. Cost of proposal: £100k
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Operational Housing
 4. Total current budget for this head: £6,241K (net controllable budget)
 5. Source of funding: Growth Fund. Operational Housing approved revenue budget. Contingency set aside for homelessness and welfare reform pressure, and the Homeless Reduction Act.
-

Personnel

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

Legal

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

Procurement

1. Summary of Procurement Implications: There are no direct procurement implications arising from this report.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): There is an increasing housing need in the Borough for affordable housing with approximately 3,500 households on the housing waiting list and approximately 1,600 households in temporary accommodation. Around 300 households approach each month in housing need. The current average net cost to the Council for households placed into temporary nightly paid accommodation is £6,490 per household per annum.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillor's comments: Full consultation would be undertaken with Ward Councillors in respect of all proposed housing developments.

3. COMMENTARY

- 3.1 The significant cost pressures in relation to homelessness and temporary accommodation provision are well rehearsed. Bromley is experiencing severe housing pressures across all tenures with a significant lack of supply of new homes driving up prices and increasing the affordability gap
- 3.2 In recent year's immense change has taken place including welfare reform and national housing and homelessness policies which cumulatively are placing a significant upward pressure on temporary accommodation costs. Additional increases are likely to further increase demands on frontline services in future years which in turn are predicted to place and additional £7m budget pressure on temporary accommodation and homelessness services by 2023.
- 3.3 With the marked decline in housing association lettings and a reduction in the supply of private rented sector accommodation that is affordable to families on mid to low incomes, the net inflow into temporary accommodation is far greater than the move on opportunities available resulting in a silting up of temporary accommodation provision and increased reliance on costly forms of nightly paid accommodation.
- 3.4 A number of measures have been put in place in recent years which have assisted in slowing the rate of increase, particularly in relation to nightly paid placements. This has achieved estimated savings in excess of £11m per year against the average cost of nightly paid accommodation. These measures include increased homeless prevention and relief, increasing temporary accommodation provision through leasing schemes, enhancing the offer to private landlords to increase access for mid to low income households, refurbishment of vacant units, property purchase and working with housing association partners to develop new affordable housing.
- 3.5 Overall during the past 5 years the number of households in temporary accommodation has risen by more than 90% from 824 in 2014 to 1,556 households in April 2019. Despite the variety of measures the number in temporary accommodation is still rising.
- 3.6 Whilst these mitigation actions remain critical in helping to stem the rate of increased use in nightly paid TA, they are not in themselves sufficient to reduce the current pressures and cannot keep pace with the level of housing need.
- 3.7 The level of new-build affordable housing developments has significantly reduced in recent years. The majority of new affordable supply currently being delivered in Bromley is linked to open housing market-led developments where a proportion of new housing is required to be provided on site as affordable units under (s106) planning obligations. These s106 affordable homes are generally transferred by private developers to the Council's Registered Provider (RP – housing association) partners once built and the Council then nominates households in housing need from its housing register to these new affordable homes.
- 3.8 Registered Providers have therefore been the Council's main historical source of new affordable housing supply. However, RPs are unable to compete with the private sector in Bromley for development site opportunities due to the high cost of land. Also, RPs operating in Bromley have limited development capacity within their own estates to deliver new affordable housing supply. In addition a high proportion of new developments, based upon independent financial viability assessments are unable to sustain developments which achieve the compliance rate of 35% affordable housing. Whilst the Council remains committed to working with private developers and RPs to develop new affordable housing, it must be noted the existing arrangements provide very limited control over new homes that are built including the use and level of supply.

- 3.9 As such the Council has committed to exploring additional options to increase the pace and level of affordable housing supply for Bromley residents ensuring that this not only seeks to address current housing needs but also to ensure services and housing provision are aligned to meet the growing demand that is being experienced and projected for future years.
- 3.10 The Council's Executive agreed in November 2018 in principle to the establishment of a Council affordable development programme, the identification of council-owned sites to facilitate this development programme and for officers to explore options in respect of a delivery vehicle for this development programme and to secure ongoing nomination rights. This work is the key focus of the Housing Transformation Board which was set up towards the end of 2018.
- 3.11 Within this context the Housing Transformation Board has developed the following key work streams in relation to the Council's direct involvement in facilitating affordable housing and temporary accommodation supply as a viable alternative to the current reliance on use of nightly rate temporary accommodation. It must be noted these work streams run alongside and compliment a wider range of activities enshrined in the Councils Homelessness Strategy and forthcoming Housing strategy which seek to ensure that homelessness is prevented or relieved wherever possible and that planning, regeneration and housing policies are aligned to support and promote the wider development of housing across the borough:
- Increasing the supply of new cost effective temporary accommodation – Up to 250 units over the next 2 years
 - Property acquisition through purchase and repair – up to 400 over the next 3 years
 - Use of Bromley owned or acquired sites to establish a development programme for new affordable housing supply – initially up to 600 units over the next 3 years
 - a) Identification of sufficient sites to facilitate this development programme
 - b) establishing a delivery, ownership and management vehicle to enable delivery of this programme.

1. Increasing the supply of cost effective temporary accommodation:

- 3.12 This work stream seeks to utilise small sites for the development of up to 250 temporary accommodation units as a direct cost effective alternative to the use of nightly paid accommodation. Officers have explored a variety of models to assess development options are recommending the use of off-site manufacturing for units to secure speed of delivery, cost effectiveness and flexibility in design. Development times are considerably quicker averaging around 9 -10 months from inception to completion. Work is underway to identify a sufficient supply of sites and this is due to be reported back to Members in due course. In the meantime there are 2 key projects already underway:
- 3.13 **York Rise:** Members agreed to seek a full turnkey solution where a service provider will design, build, install and manage modular units on behalf of the Council to enable the Council to meet its statutory obligations. Procurement is subject to full OJEU tender process via the negotiated route.
- 3.14 The York Rise tender was the first of this kind in Bromley, with few established examples elsewhere to enable learning. It has been a complex process, which officers have been working hard to manage in order to obtain the best outcome for the Council. Any lessons learnt will help to inform future tender processes for this type of solution.

- 3.15 Work is progressing to the final stages of the evaluation process which should now be concluded to enable a report to Members for contract award in May 2019, with the aim of completing units towards the end of 2019/20, subject to successful planning permission.
- 3.16 This scheme, subject to planning permission, will produce a minimum of 30 self-contained good quality temporary accommodation units as a direct alternative to nightly paid temporary accommodation. Once a successful provider has been appointed extensive consultation will be undertaken with Ward Councillors and local residents to complete the design proposals and feed into planning considerations. The report detailing the outcome of the tender process will include the full financial business case for consideration and approval.
- 3.17 **Banbury House, Bushell Way and Anerley Town Hall overflow car park.** The Council's Executive in November 2018 agreed in principle for the use of these 2 sites for affordable/temporary housing provision subject to further feasibility work and planning permission.
- 3.18 Since this time officers have undertaken feasibility analysis to assess the sites to ensure their suitability for affordable accommodation, alongside market testing to assess the potential development options and procurement of a supplier. The accompany report titled Gateway Report: Provision of Housing Supply in Anerley and Chislehurst sets out the business case and proposed procurement route aimed to now progress these schemes for completion by the end of 2019/20. Overall it is anticipated that the sites will accommodate in excess of 57 units.

Work stream two – Property Acquisitions:

- 3.19 The Executive on 23rd March 2016 agreed to set up an SPV (special purpose vehicle) between Mears Group and the Council to acquire stock for temporary accommodation. More Homes Bromley SPV was therefore set up as a joint partnership between the Council and Mears to acquire 400 properties. This programme has now nearly completed with all 400 units due to be completed by early 2019/20.
- 3.20 The Executive agreed in November 2018 for officers to explore the options for a second property purchase scheme including soft market testing to help inform the proposals and procurement route. Approval was also given to exploring the feasibility of extending the current More Homes SPV to maintain the current momentum on supply.
- 3.21 Officers have explored the potential to extend the existing More Homes SPV to prevent any delay in the acquisition programme. However this would still need to demonstrate value for money compared to other potential suppliers/funders. This has confirmed that the current funders would not be able to extend beyond a further 100 units and would require a higher yield. Cheaper borrowing rates may be available. In addition options to set up a separate SPV and acquire a new funder would not be permitted within the existing contract terms.
- 3.22 To this end officers issued a Notice to start engagement with the market around setting up a similar property acquisition programme. This work has confirmed that there is interest in the market with potential for more preferable funding offers. The majority of models are predicated on a similar arrangement to the existing More Homes Bromley model in that they propose a purchase and repair scheme operating through an SPV. At this stage only high level proposals have been submitted which do not set out detailed funding arrangements or secure the cost of the funding.
- 3.23 Based upon the above it is not possible to confirm that an extension would secure the best value for money and also there would be risk should this require a separate SPV to be established. As such it is recommended that the Council proceed to tender for a partner for a new SPV for acquisition and management of up to a further 400 additional homes.

3.24 Capital funding will be required for the purchase and repair of properties required. The tender process would request options for securing funding from the market or for the utilisation of borrowing through the Council in order to ensure that the Council secures best value. Models would be expected to operate on the basis that the rental stream repays financing costs together with the total or majority of the costs associated with the management and maintenance of units thus providing a significant saving against the current costs of temporary accommodation provision.

3.25 The model would secure full nomination rights and flexibility for us for temporary and settled housing solutions to best meet the statutory housing requirements in the most effective way.

3.26 The table below sets out the proposed procurement timescale:

High Level Task	Indicative Date
Gateway Authorisation to Proceed to Procurement	May 2019
Draft the Specification Requirements and Procurement/Legal Documents	May 2019
OJEU Notice and Contracts Notice Published and Tender process starts	June 2019
SQ Stage 1 Procurement Process Starts	June 2019
SQ Stage 1 Procurement Process Ends	July 2019
Evaluation of SQ Stage 1 (Including clarification)	July 2019
Invite to Stage 2 of the Tender process - Notification of outcome of Stage 1	August 2019
Tender Stage 2 commences	August 2019
Tender Stage 2 Ends	October 2019
Verification that the Tender bids meet the Councils Minimum requirements	November 2019
Evaluation of Stage 2 (Including clarification)	November 2019
Invite to Negotiation	November/December 2019
Successive rounds of Negotiation and resubmissions as Required	December/January 2020
Identify proposed winning tenderer	February 2020
Financial Sensitivity analysis	March -June 2020
Proposed Award/Authorisation	June /July 2020
Standstill	June/July 2020
Mobilisation	July/August 2020
Finalise the Legal Documents	July/August 2020
Contract Start	September 2020

3.27 Tenders will be evaluated on a 60% Price and 40% quality basis with a minimum quality score. Quality will be assessed considering experience in this field, ability to mobilise and secure units quickly, effective proven track record on tenancy management, repairs and maintenance.

3.28 Consideration could be given to acquiring properties through a local housing Company as set out below. However as the formation of a local housing company is still in its feasibility stage timescales are uncertain and as such it is recommended that the tender for an SPV partner for property acquisition progresses alongside this work to prevent delays in the overall programme to increase housing supply.

Work stream 3 - Use of Bromley owned or acquired sites to establish a development programme for new affordable housing supply

a) Identification of sufficient sites to facilitate this development programme

3.30 Critical to ensuring the success of a delivery programme is the identification of a sufficient supply of suitable sites. Work is currently underway to complete a long list of sites for consideration and approval. All sites identified will be subject to individual feasibility studies and business cases. Full consultation on proposals would also be undertaken prior to any planning application being submitted.

3.31 Individual sites will be brought forward as feasibility work is concluded with a full updated list of sites due to be presented to Members for consideration and approval in autumn 2019.

b) Establishing a delivery, ownership and management vehicle to enable delivery of this programme.

3.32 In order to progress the above delivery programme a delivery and management vehicle is required. The purpose of this is to increase supply and compliment existing mechanisms such as provision of affordable housing secured through s106 agreements with partner housing associations. Analysis work has been undertaken of the various models with the option of a local housing company (LHC) structure emerging as the most beneficial option to provide speed of delivery, flexibility in funding, tenure and delivery together with the potential for an income stream. Appendix one of this report provides a high level analysis of the various options available.

3.33 A LHC is a generic name for a housing delivery vehicle which is usually a separate legal entity, either wholly or predominantly owned by the Council. In recent years local authorities have set up an increasing number of LHCs. There are currently around 150 local housing companies in England with numbers expected to exceed 200 by 2020.

3.34 A LHC Vehicle, unlike other models, is 100% controllable by the Council. As such, the model offers the most favourable option in terms of control, influence, freedom, and flexibility regarding funding and tenure.

3.35 LHCs are relatively easy to set up, scale up or down, or even wind down as required by the Council. They can run alongside other models and do not preclude the use of joint ventures or working with a housing association on specific schemes.

3.36 However, the set-up costs, requirements to pay corporation tax on any surpluses generated, as well as any additional overhead requirements will need to be fully considered against the wider benefits.

3.37 Based upon the above analysis officers request approval to procure specialist legal and financial advice to assist the Council to complete the full business case setting out the governance, structure and financial resources required for set up. This would then be presented for formal consideration and approval.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The provision of cost effective temporary accommodation and affordable housing supply will provide suitable, safe accommodation to meet housing need enabling the Council to meet its statutory housing obligations and to safeguard and protect those who are most vulnerable.

5. POLICY IMPLICATIONS

5.1 The Council has a published Homelessness Strategy which sets out the approved strategic policy in terms of homelessness. This includes temporary accommodation and settled housing provision to reduce the reliance on nightly paid accommodation. The Council already works with a range of providers in the provision of affordable housing.

6. FINANCIAL IMPLICATIONS

6.1 The current average net cost of nightly paid accommodation is around £6,500 per household per annum, as set out in the table below.

	Annual charge	Rent income	Net cost
	£	£	£
Single Room	9,656	8,471	1,185
Studio	12,493	8,288	4,204
Self Contained (1 Bed)	12,716	7,325	5,391
Self Contained (2 Bed)	15,669	8,808	6,861
Self Contained (3 Bed)	19,244	10,854	8,390
Self Contained (4 Bed)	23,643	16,148	7,495
Weighted average	15,718	9,228	6,490

6.2 The full financial appraisal of the proposed schemes referred to in the report, the resulting savings on the cost of temporary accommodation and any opportunities to obtain grant funding will be considered as part of the business case in subsequent reports.

6.3 The report requests that specialist advice be procured for the business case for a local housing company, and it is proposed that a sum of £100k be allocated from the Growth Fund for this purpose.

7. LEGAL IMPLICATIONS

Recommendation 2.2 (ii): Setting up LHC

7.1 Section 1 of the Localism Act 2011 provides local authorities with the power to do anything an individual may do subject to a number of limitation (this is referred to in the General Power). A local authority may exercise the General Power for its own purposes, and/or for the benefit of others. Section 95 of the Local Government Act 2003 provides an almost identical power to set up a company to trade in function related activities and the Council can rely on one of both of these powers to set up the LHC.

7.2 Although the intention is to set up a company to provide housing a detailed business case is yet to be formulated which will inform the type of housing to be provided and the financial model for a viable delivery structure. Section 4(2) of the Localism Act requires that where a local authority exercises /uses the general power for a commercial purpose, it must do this through a company. Section 2 of the Localism Act 2011 limits the exercise of the new general power where it overlaps with a power which predates it, such as Section 95 of the Local Government Act 2003. Whether the Council relies on the General power and/or the Section 95 of the Local Government Act, it is prudent for it to comply with the requirements and limitations to which S.95 is subject. These are set out in Regulation 2 of The Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009 (the Order) which requires a business case to be prepared and approved by the Council before a company Starts trading. Regulation 2(4) of the Order defines “business case” as a comprehensive statement of:-

- The objectives of the business;
- The investment and other resources required to achieve those objectives;
- Any risks the business might face and how significant these risks are; and
- The expected financial result of the business, together with any other relevant outcomes that the business is expected to achieve.

7.3 Once the business case is formulated detailed legal advice will be required on setting up the company including on issues such as state aid, financial arrangements, governance and on drafting of appropriate commercial documents. It will be cost effective to use a combination of in-house resource and an external law firm to provide legal support. Dedicated funding is required to source expertise from external legal advisers as appropriate and to secure in-house legal resource to work on the project.

Recommendation 2.2 (iii): tender for SPV

7.3 Any procurement to set up an SPV with a chosen development partner will need to be carried out in full compliance with the Public Contracts Regulations 2015.

8. PROCUREMENT IMPLICATIONS

8.1 This report seeks approval to proceed to procurement on setting up a Special Purpose Vehicle with a development partner. The anticipated contract duration is 40 years.

8.2 It is proposed that the competitive procedure with negotiation is used.

8.3 Due to the estimated contract value and the classification of the contract as a services contract, the procurement process shall comply with the Public Contract Regulations 2015 for an OJEU procurement process. These obligations include the following:

- i) The tender must be advertised in OJEU and Contracts Finder.
- ii) The relevant contract award notices must subsequently be published.
- iii) The procurement must comply with EU Treaty principles of transparency and equal treatment.
- iv) The procurement must conform with the information provided in the OJEU advert regarding any conditions for participation; time limits for contacting/responding to the authority; and the award procedure to be applied.
- v) Time limits imposed, such as for responding to adverts and tenders, must be reasonable and proportionate.

8.4 The Council's specific requirements for authorisation to proceed to procurement are covered in 1.3 of the Contract Procedure Rules with the need to obtain the formal Agreement of the Director of Commissioning, the Director of Corporate Services and the Director of Finance for a procurement of this value.

8.5 In compliance with the Council's Contract Procedure Rules (Rule 3.6.1), this procurement must be carried out using the Council's e-procurement system.

8.6 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

Non-Applicable Sections:	PERSONNEL
Background Documents: (Access via Contact Officer)	Executive Part 2 – Increasing housing supply to meet housing need. 28 th November 2018. Executive – part 1- Contingency drawdown homelessness and temporary accommodation pressures – 27 th March 2019 London Borough of Bromley Homelessness Strategy 2018-2023

Appendix 1: Developing new homes – Council owned/acquired sites, acquired: Housing Delivery and Management Models:

Vehicle Options	Description	Pros	Cons
In-house council owned and managed through housing revenue account.	Council ramps up its in-house delivery and management capacity. Subject to strict legislative framework including Housing revenue account and right to buy.	Quick to establish as no new company set up. However would need to recruit resources for sufficient delivery capacity/expertise requiring significant investment.	Any surpluses are ring-fenced for use within the Housing Revenue Account and not available for the General Fund Structure does not in itself bring in cash, skills or resources - met through council funds Restrictions on the type of tenure and lack of flexibility to change tenures/terms to respond to market changes.
Housing association (HA) as developer/stock owner	Land transferred to HA to develop .stock owned by HA. Subject to legislative framework and usually right to buy	Procurement of preferred provider relatively quick. Expertise of HA as developer and manager of stock. Access to GLA funding	No revenue streams. Lack of control over use and nomination levels. Lack of control over the tenure and mix of homes developed.
Single Local Housing Company for ownership	Limits company to holding/managing assets. Usually assets sold to/bought by the company on 'arms-length' basis through the Council or transferred under a development agreement. Outside HRA – flexibility rent/tenures	Revenue streams. Allows for commercial activity. Ability to lever in capacity/expertise and engages in supply market.	Relies on existing suppliers in market for pace and level of delivery. Does not in it create more units?
Single Local Housing Company for development	Company takes on development/delivery roles. Can design sites/programme/bring sites to the market more quickly.	Engage in local market supply as a developer thus increasing level /speed of delivery. Creation of capital receipts/ Allows for commercial activity.	Usually no revenue stream. Does not necessarily guarantee nomination or access rights to units.
Local Housing Company with subsidiaries (development and ownership)	Carries out role of developer & longer term ownership/management. Can structure as group/subsidiaries to ring-fence risk/increase flexibility. Can increase structure as required for specific site/tenures or combine with JV. Outside HRA flexibility rent and tenures	Ability to lever in development & management capacity to engage and influence speed/level of delivery/range of housing supply. Creation capital receipts and revenue stream and new homes bonus Allows for commercial activity. Outside HRA so flexibility of rent and tenures.	Requires range of expertise which needs to be levered in. Set up costs will need to be incurred. Corporation tax will likely apply to any profits/surpluses generated
Joint Venture	Engage with developer (private or housing association) for certain project/s where of sufficient size/value to justify this. Partnerships usually 50/50 – assumption Council's land/partner cash. Often preferred on complex sites	Allows risk and reward share. Access to skills and capacity via JV partner Can lever in additional funding streams New homes bonus Can be used in conjunction with a LHC where a partner could assist in bringing key skills or funding to enable the development.	Procurement and set up costs tend to be higher and longer lead in for procurement. Usually site based. Partner usually required exclusivity eg: on development/ownership/management which can limit flexibility.

Report No.
CSD19062

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: 21 May 2019

Decision Type: NonUrgent Executive Non-Key

Title: MORE HOMES BROMLEY - APPOINTMENT OF BOARD MEMBER

Contact Officer: Graham Walton, Democratic Services Manager
Tel 020 8461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: All

1. Reason for report

- 1.1 At its meeting on 10th June 2015 the Executive was informed of proposals to set up a Special Purpose Vehicle (SPV) to deliver additional affordable housing. This led to the establishment of More Homes Bromley, a Limited Liability Partnership (LLP) established by the Council with the Mears Group. A vacancy has arisen for one of the two Directors appointed by the Council, and the Executive is requested to make this appointment to safeguard the Council's interests.

2. **RECOMMENDATION**

That Executive reaffirms the appointment of Sara Bowrey, Director of Housing, to the More Homes Bromley Board, and appoints James Mullender, Head of Finance, Adults, Health & Housing to the vacancy for the Council's other member of the Board.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

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

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: None:
 2. Call-in: Not Applicable: This dproposed decision is urgent and not subject to call-in.
-

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. COMMENTARY

- 3.1 More Homes Bromley is a Limited Liability Partnership (LLP) established by the Council with the Mears Group to deliver additional affordable housing through acquisition of existing residential properties to assist in meeting the Council's statutory rehousing duties and mitigate against the current cost pressures relating to the provision of temporary accommodation. The LLP is overseen by a Board with equal representation of two representatives each from the Council and Mears. Chairmanship of the Board rotates between a representative of the Council and of Mears every twelve months. In addition, the Council can operate a Scrutiny Committee of two Councillors to exercise oversight of the Board's work.
- 3.2 The Council appointed Sara Bowrey, Director of Housing, and Lesley Moore, Director of Commissioning to the More Homes Bromley Board. Mrs Moore has resigned from her role on the LLP, and the Council needs to appoint a new representative to cover the resulting vacancy. It is proposed that the Council appoints James Mullender, Head of Finance, Adults, Health & Housing, to the vacancy. As is usual practice the Council will indemnify the appointed Directors in respect of claims arising from the discharge of their duties.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Financial Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Part 2* Reports to the Executive on - 10 th June 2015 2 nd December 2015 (2) 23 rd March 2016 15 th June 2016 (* Exempt information under paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972)

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Report No.
DRR19/025

London Borough of Bromley

PART ONE – PUBLIC

Decision Maker: EXECUTIVE COUNCIL

For pre decision scrutiny by the Renewal, Recreation and Housing Policy, Development and scrutiny Committee on 7 May 2019

Date: Executive - 21 May 2019 Council – 22 May 2019

Decision Type: Non Urgent Executive Key

Title: GATEWAY REPORT: PROVISION OF HOUSING SUPPLY IN ANERLEY AND CHISLEHURST

Contact Officer: Alicia Munday, Strategic Commissioning Manager
Tel: 020 8313 4559 E-mail: Alicia.Munday@bromley.gov.uk

Chief Officer: Colin Brand, Director of Regeneration

Ward: Anerley and Penge, Chislehurst

1. Reason for report

- 1.1 This report sets out recommendations for the approval of a Capital Scheme for the design and construction of up to 60 homes across two sites, Bushell Way and Anerley Town Hall overflow car park for the provision of housing for the purposes of temporary accommodation.
- 1.2 In addition the report seeks approval to proceed to procurement for the provision of a design and build contract for the two sites.

2. RECOMMENDATION(S)

The Renewal, Recreation and Housing PDS Committee are asked to:

- 2.1 Note and comment on the content of this report:
- 2.2 Recommend that Executive request that Council approve the addition of £8.4m to the Capital Programme for the provision of up to 60 residential units for the provision of housing for the purposes of temporary accommodation on sites known as Bushell Way and Anerley Town Hall Overflow Car Park; with £7.5m funded from the Housing Investment Fund earmarked reserve, and £0.9m identified in the 2018/19 Provisional Final Outturn report being submitted to the Executive on 21st May 2019.
- 2.3 Recommend that Executive approve a mini competition tender using the LHC, NH1 Framework, for a design and build of housing at the identified sites, as set out in paragraph 4.5 of this report, and the approval process for contract award as set out paragraph 4.9.3.

- 2.4 Recommend that Executive approve the appropriation of land at sites known as Bushell Way and Anerley Town Hall overflow carpark from their current purpose to the purpose of housing land held under the general fund in accordance with section 122 of the Local Government Act 1972.

Corporate Policy

1. Policy Status: Existing Policy: Further Details
 2. BBB Priority: Excellent Council Supporting Independence:
-

Financial

1. Cost of proposal: Estimated Cost: £8.4m
 2. Ongoing costs: Temporary accommodation management costs of £133k p.a.; net saving of £590k p.a. (based on 57 units)
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head; N/A
 5. Source of funding: Housing Investment Fund earmarked reserve, and other funding to be identified on the 2018/19 Provisional Final Outturn report
-

Staff

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

Legal

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

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments?

Summary of Ward Councillor's comments: A meeting with Ward Councillors has been held in relation to these recommendations. Ward Members have requested that public engagement is conducted. It was confirmed with Ward Members that this is the start of the process, and should these recommendations be approved, this would enable a provider to be selected to propose more detailed plans which would then commence the public engagement process.

Statutory Public Consultation will take place if a planning submission is made.

3. BACKGROUND

- 3.1. Like most London boroughs one of the most significant long term cost pressures is the impact of welfare reform and homelessness. This includes the new cost of implementing the increased responsibilities under the Homelessness Reduction Act 2017, which came into effect on 3 April 2018.
- 3.2. Current predictions show cost pressures rising to around an additional £7m per annum by 2022/23 compared to the 2018/19 budget to fulfil statutory duties in relation to homeless and the provision of temporary accommodation.
- 3.3. There are currently 1,570 households in Temporary Accommodation (TA), of which 994 are in secure costly forms of nightly paid TA. On average the current increase in TA numbers is around 15 per month; however, this is likely to increase as the Universal Credit roll out starts to impact. The level of housing need in Bromley is wider than just this too, as there is insufficient affordable housing to meet the current and emerging housing need.
- 3.4. Whilst there will always be a need to make use of Temporary Accommodation for those householders under assessment; with supply so limited this has resulted in the need to procure costly nightly paid accommodation to meet statutory rehousing duties. The current average costs for nightly paid placements for Temporary Accommodation are set out in section 11 below.
- 3.5. In November 2018, the Director of Housing presented a report to the Executive, outlining various options to increase housing supply, as well as mitigations to reduce the spend on expensive nightly paid Temporary Accommodation.
- 3.6. One of the options included in this report and approved was the consideration of 3 specific Council owned sites for housing development. Officers have now explored the use of 2 of these sites, Banbury House, Bushell Way in Chislehurst and Anerley Town Hall overflow car park (see Appendix 1 for site satellite images). These sites have been previously identified by the Council as being surplus to requirements. Banbury House site, Bushell Way, Chislehurst was also identified in the Local Plan for Housing. The third site, York Rise, Orpington, is subject to a separate tender process.
- 3.7. The Council does not currently have a Housing Revenue Account (HRA), so developing General Needs housing is not an option. The focus has therefore been on developing Temporary Housing supply that could, if of significant build quality become General Needs Housing in the future.
- 3.8. Market research has focussed on best value as well as speed of delivery. For this reason, Officers have directed research towards off-site modular construction options. This form of construction can significantly reduce the speed at which the residential units can be developed as ground works and offsite construction can happen simultaneously.

- 3.9 Members will also be mindful that a similar scheme is proposed at Orpington, York Rise. This was a more complex site for development and the procurement process has been protracted for various reasons.
- 3.10 Taking lessons from the tender process for modular units at York Rise, it is proposed to procure a specialist modular housing company to deliver the design and build element through a defined contract, with relevant break clauses at the 2 key phases. Phase 1 being the design element and cost build up for the modular units and necessary ground works for the proposed design. This would then be subject to a planning application and dependent on the outcome of this, phase 2 of the contract would be construction and delivery. Housing Management will be sourced either with a current housing management contract, or via a separate tender process – whichever is likely to secure best value for the Council.
- 3.11 Given the pace the Council is seeking for this development, Officers have focused on reviewing Frameworks for housing supply, and have undertaken market research with a broad range of off-site construction developers on the framework(s).
- 3.12 The market research focussed on the following areas:

Design – for speed and efficiency it is beneficial to utilise an existing design. Bespoke off-site construction will be significantly slower given the additional tooling required during the manufacturing process. In addition Officers have considered the space allocation of the designs available, and are seeking designs that meet London Housing Standards, or as close to the standards as possible. Further consideration has been given to the type of off-site construction; this varies from ‘shipping style’ containers, to more traditional looking builds. Appendix 1 includes images of the design of offsite construction that was explored throughout the market research.

Value – costs are significantly variable in the market, and without knowing the optimum number of residential units that can be secured on the sites, it is challenging to obtain indicative costs. Costs at this time have been benchmarked on a square metre basis as well as on unit prices. For the purpose of speed no initial site surveys have been conducted on these sites, and so it is also difficult to fully ascertain indicative costs for site works, although it is recognised that these sites are relatively accessible and flat, which make for amenable offsite construction works.

Manufacturing Time – off-site construction offers a shortened timescale for development and securing a window for manufacturing will be key to the programme timescale. Manufacturing will only commence once an order is placed.

Risk – in traditional construction, payments are made as the site is developed, but the results are clearly visible. Through the market research officers have explored how risk could be mitigated when the construction and effectively storage of the ‘new homes’ is happening offsite. Time and

resources will be required to visit the manufacturing of the units in order to mitigate risk.

Finance Options – officers reviewed the options of financing the development with developers, including, the Council purchasing the residential units, to the Council leasing the units. Leasing is only a viable option if the sites and the residential units are likely to be very short term and/or relocated. This is not the intention for these sites.

4 RECOMMENDATION(S)

- 4.1 Having concluded the market research, officers are recommending the use of the LHC, NH1 Framework (formerly known as the London Housing consortium), NH1 – New Homes framework to engage with a modular homes developer. Whilst there is no direct cost to utilising the framework, there is likely to be up to 3% included in the costs for the framework management. LHC is a subsidiary of the London Borough of Hillingdon.
- 4.2 The framework has a number of providers that officers have engaged with throughout the research period and could deliver the required housing solutions we are seeking.
- 4.3 There are some significant benefits to procuring through a framework:
 - Initial OJEU has been conducted, and this significantly reduces the procurement time, and therefore cost
 - The providers on the framework have already supplied initial costs, that have been scrutinised for best value as well as provider deliverability and quality.
 - The Council benefits from the scale of business put through the framework, which is countrywide, and beyond any scale the Council is likely to achieve alone.
- 4.4 The proposed development would secure a full turnkey solution, including site preparation, all construction and basic fit out of units (as determined by the specification). Therefore it is essential that the housing provider is also secured and ready to operate the residential units as soon as they are available.
- 4.5 A development that would ensure, as a minimum the following design principles:
 - A development in line with the Local Plan.
 - A modular development that is not utilising shipping containers.
 - An agreed design with the Council, i.e. facing options that are sympathetic to the local surroundings.

- Housing that meets the London Housing Standards, or as close to.
 - Housing that is both efficient in terms of build, but also in terms of long term stability for those living there.
 - A range of 1 and 2 bedroom apartments.
 - A development that offers suitable relevant levels of parking.
- 4.6 Officers have met with the providers available to use on the framework, as well as other providers that responded to initial enquiries. Appendix 1 shows some key headlines from the market research, given this information was given in confidence, this section of the report is given as Part 2.
- 4.7 In discussion, with Procurement and colleagues in Housing, Officers are recommending that the Council utilise the LHC (Formerly known as the London Housing consortium), NH1 – New Homes framework to engage with a modular homes developer. LHC is a subsidiary of the London Borough of Hillingdon.
- 4.8 Officers have met with the providers available to use on the framework, as well as other providers that responded to initial enquiries. Appendix 1 shows some key headlines from the market research, given this information was given in confidence, this section of the report is given as Part 2
- 4.9 Given the housing crisis, the increasing number of residents having to utilise temporary accommodation and the ongoing pressures on budgets, the recommendation in this report is to:
- 4.9.1 Agree the addition of £8.4m to the Capital Programme, with £7.5m funded from the Housing Investment Fund earmarked reserve, and £0.9m identified in the 2018/19 Provisional Final Outturn report being submitted to the Executive on 21st May 2019
- 4.9.2 Approve a mini competition tender, utilising the LHC, NH1 framework for the 2 identified sites, Bushell Way, and the Overflow Car Park at Anerley Town Hall, based on the design principles set out in para 4.5. Approve a separate tender for the housing management provider for the 2 identified sites.
- 4.9.3 Given the timescale, officers are mindful that should the tender be successful, a recommendation for a contract award is likely to be ready in August. Members are therefore asked to consider a preferred authority route, with the options set out below:
- A. Delegate authority for a Contract Award within the parameters set to the Chief Executive in conjunction with the Leader of the Council; or
 - B. Request special committees to scrutinise and consider any proposed contract award;

- C. Delay a contract award until September, which will impact on the timescale of the development. It is important to note that a delay of a month, is no likely to equate to a 4-6 month in the development given that modular construction requires time to be booked in a factory.

5. STAKEHOLDER ENGAGEMENT

- 5.1 There has been market engagement with potential providers. Any agreed proposals would be subject to planning permission and a statutory period of public consultation. Ward Members have been briefed about the proposals.

6. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

- 6.1 Estimated Contract Value - £8m
- 6.2 Other Associated Costs – up to £400k for consultancy costs, including cost consultancy.
- 6.3 Proposed Contract Period – up to 2 years, for a full Design and Build programme
- 6.4 The indicative timescale for the procurement of the development and housing provider is as follows, this timetable assumes either Option A or B are taken in terms of a potential contract award:

Indicative Timescale*	
May 2019	Issue Mini Competition / Direct Award
July 2019	Evaluate tenders, and seek approval for Contract Award and report back to Members
August/September 2019	Seek Planning Permission
October 2019	Place order for development of the units
October 2019 - January 2020	Construction and Site Preparation
February/March 2020	On Site installation
April	Residential Units available for Housing

- 6.5 It is proposed to utilise the Council’s standard 60% price and 40% quality ratio to evaluate the further competition submissions.

7. IMPACT ON VULNERABLE CHILDREN AND ADULTS

- 7.1 The proposed recommendations support vulnerable people through the provision of housing supply.

8. POLICY CONSIDERATIONS

- 8.1 The Council has a published Homelessness Strategy which sets out the approved strategic policy in terms of homelessness. This includes the increased provision of temporary accommodation and reducing the reliance on nightly paid accommodation.

9. PROCUREMENT RULES

- 9.1 This report seeks to utilise the LHC, NH1 Framework (formerly known as the London Housing consortium), NH1 – New Homes framework. In accordance with Clause 3.5 of the Contract Procedure Rules, the Head of Procurement has been consulted regarding the use of the Framework.
- 9.2 The Council is able to make use of LHC, NH1 Framework has been properly included on the Contract Notice. A call off contract is permitted under the terms of the framework. For each requirement, an order form and template call off contract must be completed.
- 9.3 For the requirements set out above, the method of further competition can be used under the terms of the framework, and in compliance with Contract Procedure Rule 3.6.1, the further competition must be carried out using the Council's e-procurement system
- 9.4 In compliance with the Council's Contract Procedure Rule 7.4.2, the mini competition shall be carried out through LHC, using suppliers drawn from the NH1 Framework
- 9.5 Contract Procedure Rule 7.4.4 states that where a Framework Agreement is intended to be used for a Contract with an Estimated Value above the relevant EU thresholds, it must be operated as provided for in Part 2 / Section 4 / 344 of the Public Contract Regulations 2015.
- 9.6 As the contract value is over £25k, an award notice will need to be published on Contracts Finder.
- 9.7 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

10. FINANCIAL CONSIDERATIONS

- 10.1 The current average net cost of nightly paid accommodation is around £6,500 per annum, as set out in the table below.

	Annual charge	Rent income	Net cost
	£	£	£
Single Room	9,656	8,471	1,185
Studio	12,493	8,288	4,204
Self Contained (1 Bed)	12,716	7,325	5,391
Self Contained (2 Bed)	15,669	8,808	6,861
Self Contained (3 Bed)	19,244	10,854	8,390
Self Contained (4 Bed)	23,643	16,148	7,495
Weighted average	15,718	9,228	6,490

- 10.2 The estimated full year savings that will be achieved from the proposed modular units is around £590k per annum as set out below (based on a total of 57 units).

	FY costs
	£'000
Management fee	133
Treasury management income foregone	140
	273
Rental income	Cr 482
Temporary accommodation savings	Cr 381
	Cr 863
Total net saving	Cr 590

- 10.3 The report requests the addition of £8.4m to the Capital Programme to deliver the proposals. £7.5m was set aside in the Housing Investment Fund earmarked reserve at the March Executive meeting, which was subsequently approved by Council. It is proposed that this be utilised to fund the scheme, and the balance of £0.9m will be identified in the 2018/19 Provisional Final Outturn report which will be submitted to the Executive on 21st May 2019.
- 10.4 The report also refers to the tender for modular housing at York Rise, and any funding requirements for that scheme will be addressed as part of the contract award report.

11 PERSONNEL CONSIDERATIONS

- 11.1 There are no LBB staff implications for the recommendations

12. LEGAL CONSIDERATIONS

- 12.1 The Housing Act 1996, Part 7 (as amended) sets out the Council's statutory homelessness duties, including the duty to provide temporary accommodation for certain classes of people and in certain circumstances.
- 12.2 The Council can rely on Part 7 of the Housing Act 1996 to provide temporary accommodation together with the general power of competence in section 1 Localism Act 2011. Accommodation made available under Part 7 of the

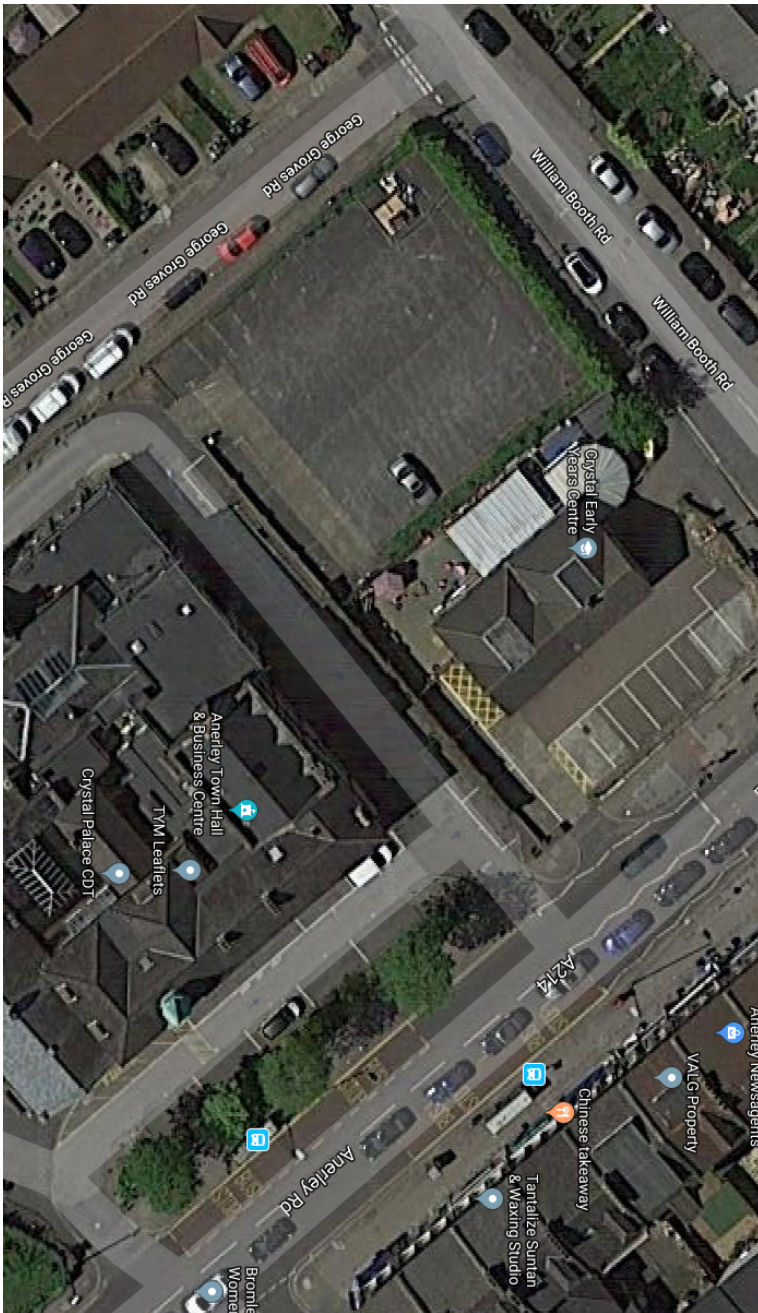
Housing Act 1996 strictly as provided by Schedule 1 of the Housing Act 1985, will not be a secure tenancy or license.

- 12.3 The demand for homeless accommodation has continued to increase following the implementation of the Homeless Reduction Act 2018, as the duties towards homeless households are expanded. The Council must make decisions in accordance with the law and also in accordance with its fiduciary duty to its tax payers in using Council resources. The report explains the benefits including the financial benefits that must be properly weighed up and considered before taking the decisions set out in the recommendations.
- 12.4 Officers have explained elsewhere in this report that the use of the 2 sites are no longer required as acquired and the new use will meet the Councils objectives in relation to the provision of temporary accommodation held under the general fund. The Recommendations therefore provide approval for the appropriation of land at sites known as Bushell Way and Anerley overflow carpark Bushell from their current purpose to the purpose of housing land held under the general fund in accordance with section 122 of the Local Government Act 1972.
- 12.5 Under the Public Contract Regulations 2015 (Regulations) the procurement of these works and services is a public contract within the meaning of the Regulations. As the value exceeds the relevant works threshold under the Regulations the Council would be required to carry out a fully complaint EU Procurement exercise. The Regulations however accept compliance where the Council call-off from an EU compliant framework which is expressed as being available to the Council and is used within the rules set up by the framework. The Council intend to procure from the LHC NH1Framework for the design and build of the houses identified in the report. The section in this report on Procurement Rules provides further detail on work undertaken to show the compliant use of the framework. The report also identifies the need to carry out the procurement for the management of the houses and in due course a further report will be required seeking authority to commence that procurement exercise under the Council’s Contract procedure Rules.
- 12.6 The relevant authorisation process in relation to Contract Commissioning Strategy and Proceeding to Procurement under the Council’s Contract Procedure Rules for values over £1M is by way of Executive authorisation in agreement with the Portfolio holder, Chief Officer, Director of Corporate Services and Director of Finance.

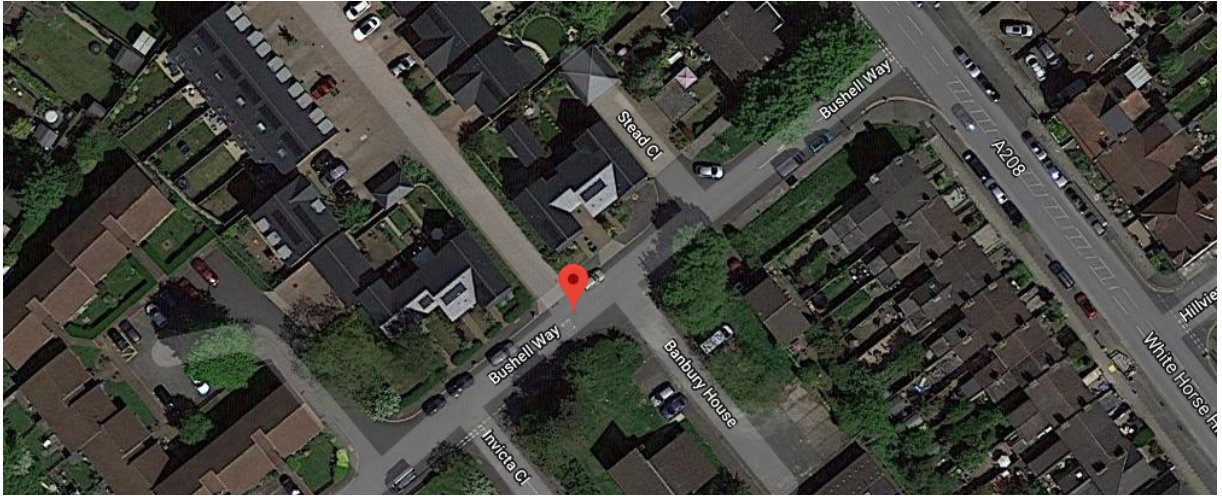
Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	Increasing Housing Supply to Meet Housing Need

APPENDIX 1 – SITE INFORMATION

Anerley Overflow Car Park Site



Banbury House/Bushell Way Site



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Report No.
CSD19078

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **GENERAL PURPOSES AND LICENSING COMMITTEE
EXECUTIVE
COUNCIL**

Date: **16/21/22 May 2019**

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

Title: **ELECTORAL 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: All

1. Reason for report

1.1 The Local Government Boundary Commission for England (LGBCE) is undertaking a review of Bromley's electoral arrangements, which have been in place since the last review in 1999. The first stage of the Review is for the Commission to determine the overall number of Councillors to be elected for the borough in future, before moving on to consider the detail of ward boundaries and the number of councillors representing each ward. As part of this preliminary stage, the Commission has invited the Council and any other interested parties to make submissions on Council size before the end of May 2019.

2. **RECOMMENDATION**

That General Purposes and Licensing Committee and the Executive approve the draft Electoral Review Council Size Submission for consideration by full Council.

That Council approves the Council Size Submission.

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: Democratic Services
 4. Total current budget for this head: £350,650
 5. Source of funding: 2019/20 Revenue Budget
-

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: Decision to be made by full Council
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Electorate of the borough
-

Ward Councillor Views

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

3. COMMENTARY

3.1 The Local Government Boundary Commission for England (LGBCE) is currently focussed on ensuring that all Councils in London have had a recent review of their electoral arrangements. Bromley's arrangements were last reviewed in 1999, with the outcome implemented in the 2002 local elections. In conducting this review, the LGBCE will apply three statutory criteria -

- (i) electoral equality (a consistent number of electors per councillor);
- (ii) community identity (strong ward boundaries that reflect communities); and
- (iii) effective and convenient local government (coherent wards with good internal transport links).

3.2 The first stage of the Review is for the Commission to determine the overall number of Councillors to be elected for the borough in future. The LGBCE has outlined three areas that it will focus on -

- (i) the Council's governance arrangements and how it takes decisions across the broad range of its functions;
- (ii) the Council's scrutiny functions relating to its own decisions and its responsibilities to other bodies; and
- (iii) the representational role of councillors in the local community and how they engage with people, conduct casework and represent the council on local partner organisations.

As part of this preliminary stage, the Commission has invited the Council and any other interested parties to make submissions on Council size before the end of May 2019.

3.3 The draft text of the Council's size submission is attached at [Appendix A](#). This sets out a conclusion that the Council size is broadly correct, but that, given that the Council is already towards the higher end of the elector/councillor ratio, a modest increase to 62 councillors is appropriate. This will enable the Council size to remain sustainable over the next twenty years given the projected increases in population and electorate, and the increasing demands on councillors.

3.4 The Commission is intending to make a decision on Council size on 18th June 2019. This will be followed by a period of public consultation on the warding pattern over the summer months leading towards the formulation of draft recommendations in October 2019. There will then be further public consultation on the draft recommendations before final recommendations are due to be announced in February 2020. The new arrangements will be implemented for the 2022 local elections.

Non-Applicable Sections:	Impact on Vulnerable Adults and Children/Policy/Finance/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Electoral Review of the London Borough of Bromley - a guide for Councillors - LGBCE

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ELECTORAL REVIEW OF THE LONDON BOROUGH OF BROMLEY

Submission on Bromley Council Size

- 1. Introduction**
- 2. Summary and recommendations**
- 3. Characteristics of Bromley and Comparative Information**
- 4. Governance and Decision Making**
- 5. Conclusion**

Appendices

- A. Tables
- B. Structure Chart (2018/19)
- C. Executive Assistants Annual Report (2018/19)
- D. E Annual Scrutiny Report (2018/19)
- E. List of Outside Bodies (2018/19)
- F. Committee meeting number summary (2017/8 & 2018/19)
- G. Councillor attendance summary (2017/18)
- H. Analysis Borough Electorate Totals for January 2019 Register

1. Introduction – background to the review

- 1.1. The Local Government Boundary Commission for England (LGBCE) is undertaking a review of the London Borough of Bromley's electoral arrangements. This will be the first review of the ward boundaries in the Borough since 1999 and it forms a part of a review of arrangements across London.
- 1.2. The review examines and proposes new electoral arrangements for the whole local authority, and will take decisions upon:
- The total number of councillors to be elected to the council (Council Size)
 - The names, numbers and boundaries of wards
 - The number of councillors to be elected to represent each ward.
- 1.3 The statutory criteria that the LGBCE will apply when making its proposals and decisions are:
- Electoral equality (a consistent number of electors per councillor)
 - Community identity (strong ward boundaries that reflect communities)
 - Effective and convenient local government (coherent wards with good internal transport links).
- 1.4 The outcome of the review will be implemented in time to take effect at the Local government Elections for the Borough scheduled for May 2022. The Review will aim to ensure that its recommendations remain relevant for the long term.
- 1.5 The first stage of the review is to determine the future council size. The provisional decision on council size by the Commission will then inform the next stage of the review, which will consider size and numbers of wards, ward boundaries and the number of councillors to represent each ward.
- 1.6 The Commission will form its view about the right council size for an authority by considering the following areas:
- The governance arrangements of the council and how it takes decisions across the broad range of its responsibilities
 - The council's scrutiny functions relating to its own decision making and the council's responsibilities to outside bodies
 - The representational role of councillors in the local community and how they engage with people conduct casework and represent the council on local partner organisations.
 - A view on how the role and operation of the Council has changed since 1999 and the new and different challenges faced by elected members

2. Summary and recommendations

- 2.1 The council has carefully considered the various factors outlined in the Boundary Commission's guidance documents and has evaluated the impact of increasing or decreasing the current number of councillors.
- 2.2 Bromley's electorate as at January 2019 was 242,189 (excluding overseas electors) and this equates to an electoral ratio of 4,036 electors for each councillor. The electorate is forecast to grow to 265,038 by 2022 and equate to an electorate ratio of 4,417 electors per councillor. Forward projecting twenty years to 2039 would give a projected electorate of 294,698 and an electorate ratio of 4,912 electors per councillor
- 2.3 This increase in the number of electors up to 2022 has been forecasted utilising the Local Government Boundary Commission's preferred forecasting methodology, the Greater London Authority's (GLA) population growth forecasts and also takes into account planned housing development, as well as planned and statutory activities to ensure that the borough's register of electors is as complete and accurate as possible.
- 2.4 Bromley is a well-run and effective council, with good engagement by members who play a full and active role as local representatives. We have strong governance and scrutiny and members are central to delivering this good governance. In coming to its recommendation, the council acknowledges that the current administration have stated that the existing governance arrangements (the Strong Leader model) will remain as they are working well.
- 2.5. The council considers 62 to be the optimum number of councillors required to ensure effective governance and scrutiny for the authority. Based upon the current electorate this number also offers a more beneficial electoral ratio that enables councillors to offer fair and effective representation to their ward constituents
- 2.6 An increase to 62 Members would maintain the level of representation for electors and residents as the population grows, and ensure that work on scrutiny and other areas is not damaged.
- 2.7. Although members are busy and work hard to deliver in their roles, the council has shown it works effectively with 60 members at present electorate/population levels. Reducing the number of councillors would put an unacceptable pressure on the workload both in ensuring the delivery of the Councillor role under the current governance arrangements and in their broader community role.

2.8 A decrease in the number of councillors could save some money, however this would increase the number of electors and residents per councillor to an unacceptably challenging level. This increase would make it difficult for members to effectively represent the needs and views of their communities. A reduction of councillors to even 55, which would deliver minimal savings, would see each elected member representing almost 4,819 electors by 2022 and 5,358 by 2039.

2.9 Since 2010 fewer than 10 opposition Councillors have been returned in each election (2010 - 7, 2014 – 9, 2018 - 9). There is a material risk that a reduction in the number of Councillors will have an impact on the number of opposition councillors returned which will have an impact on voter choice and the effectiveness of political opposition on the Council.

Recommendation

That the number of Members elected at Local Government Elections in Bromley is increased from 60 to 62.

3 Characteristics of Bromley and Comparative Information

3.1 Located in South East London Bromley serves a population of c331,000. It is the largest London borough. At approximately 150 square kilometres it is 30% larger than the next largest borough.

3.2 The Council is responsible of the full range of Local Government services since the abolition of the GLC in 1986 (the Mayor and GLA being an additional rather than a substitute service). Although Bromley is a relatively prosperous area, the communities within Bromley differ substantially. The North-East and North-West of the borough contend with similar issues (such as higher levels of deprivation and disease prevalence) to those found in the inner London Boroughs we border (Lambeth, Lewisham, Southwark, Greenwich), while in the South, the borough compares more with rural Kent and its issues.

3.3. Table 1 of appendix A sets out the present electoral figures by ward in Bromley and Table 2 of appendix A compares both the area and member representation at Bromley with other London Boroughs. Table 3 breaks the figures down by polling directives. Table 4 sets out the projected electorate increase by ward.

3.4 Appendices set out the projected population and electorate increases for Bromley, with the supporting methodology being at Appendix H.

3.4 Of the next 4 largest London Boroughs in size then membership is as follows:-

- Hillingdon 65
- Havering 54
- Croydon 70
- Barnet 63

All of the above have a lower elector to Councillor ratio when compared to the Elector/Councillor ratio at Bromley.

Havering does have fewer councillors. However it is 47,000 Hectares smaller in area, has a smaller electorate by c38,000 electors and a present ratio of 3,541 electors per councillor compared to a ratio of 4,023 electors per councillor at Bromley.

3.5 Consideration of the figures set out in Table 2 indicates that even after reductions to the number of members elsewhere, the ratio of electors per councillor is still higher at Bromley. Authorities with comparable electorates tend to have more elected members than Bromley.

4 Governance and Decision Making

4.1 The London Borough of Bromley is made up from 22 wards comprising 60 councillors. There is 1 single member ward, 4 two member wards and 17 three member wards. Following the 2018 local elections, the political balance of the Council is currently 50 Conservatives, 8 Labour and 2 independents. The Council holds around 200 meetings each year, most of them held in public. A chart setting out the basic meeting structure is at [Appendix B](#).

Full Council

4.2 Full Council is chaired by the Mayor. All Councillors serve on full Council meetings. It meets around 7 times a year, including an annual meeting in May at which appointments to Committees are made. Certain matters have to be considered by full Council, including setting the Council's annual budget and Council Tax, which is done at a meeting in February. As well as receiving reports for decision or information, the full Council meeting is a major focus for public engagement and political debate, with time allotted to dealing with questions from Councillors and members of the public, receiving public petitions and considering motions proposed by Councillors.

Executive Arrangements

4.3 The Council operates a “strong leader” executive model. The Leader is appointed by full Council at the first annual meeting after the local elections, and remains in office for the four-year period until the next elections. The Leader appoints six other Members to his Executive as Portfolio Holders, one of whom is appointed Deputy Leader, each with specific areas of responsibility. The portfolios are currently -

- Adult Care and Health
- Children, Education and Families (and Deputy Leader)
- Environment and Community Services
- Public Protection and Enforcement
- Renewal, Recreation and Housing
- Resources, Commissioning and Contract Management

4.4 Portfolio Holders provide political direction and leadership for the Council services within their portfolios, working closely with Directors and other senior managers. They help the Leader to set the strategic direction of the Council, promote initiatives and challenge officers on budget management, savings, income generation and service improvement. The Leader/Portfolio Holders appoint up to six Executive Assistants to provide support to Portfolio Holders. Executive Assistants are not formal deputies and cannot exercise executive authority. They are required to submit an annual report summarising their activity - the 2018/19 report is attached as [Appendix C](#)

4.5 The Executive has about 8 scheduled meetings a year to take decisions, but usually a number of special meetings are also necessary to deal with urgent matters. Individual Portfolio Holders take decisions following pre-decision scrutiny of reports at a Policy Development and Scrutiny (PDS) meeting, or occasionally at a special Portfolio Holder meeting or following circulation of a proposed decision to all other Councillors.

4.6 The maximum size of Executive permitted by law is The Leader plus 9 other members and with an executive of 7 in total Bromley already has one of the more streamlined Executive bodies in London.

Regulatory functions

4.7 There are a range of functions which the law says cannot be exercised by the executive. In addition, there are some functions where the Council has a choice whether they are executive or non-executive, and Bromley has decided that these will be treated as non-executive.

4.8 These non-executive functions require a range of committees and sub-committees to be set up to make decisions. The major committees are the Development Control Committee and its 4 Plans Sub-Committees, and the

General Purposes and Licensing Committee, which has sub-committees for Appeals, Audit, Industrial Relations, Licensing, Pensions Investment and Rights of Way. The Local Joint Consultative Panel (a forum for discussion between councillors and officers) also reports to the General Purposes and Licensing Committee. In addition, the Council has chosen to retain a Standards Committee, which considers matters relating to the conduct of councillors.

Planning Committees

4.9 Development Control Committee is a large committee with 17 members which considers matters of planning policy, and also determines major planning applications. Some of these meetings attract large numbers of members of the public where a particularly controversial planning application is being considered. The four Plans Sub-Committees meet every fortnight in turn to determine planning applications. This amounts to about twenty-five meetings a year, and is a substantial workload for Councillors. These meetings always attract members of the public, who can address the sub-committee with their concerns. One person is allowed to speak in favour of each application and one against before Councillors discuss the case and come to a decision. There are 36 seats overall on these four sub-committees, although some Councillors will sit on two sub-committees, reducing the number of Councillors needed.

Licensing Committees

4.10 Licensing of the sale of alcohol and public entertainment are the responsibility of the General Purposes and Licensing Committee. Licensing Sub-Committees of 3 members are appointed to hear licensing applications. These meetings can be lengthy, with substantial paperwork to consider and applicants represented by lawyers. Although the number of Licensing Sub-Committee meetings has declined in recent years, there are still about eight needed every year. Members of the Licensing Sub-committees are drawn from the 15 members of the General Purposes and Licensing committee and this level ensures an expert and informed group of members can take licensing decisions whilst avoiding risks around conflict of interest.

Policy Development and Scrutiny

4.11 The Council is under a statutory duty to appoint at least one overview and scrutiny committee. Bromley's lead scrutiny committee is the Executive, Resources and Contracts Policy Development and Scrutiny (PDS) Committee. This PDS Committee has an over-arching, coordinating role on behalf of the other five PDS Committees for Adult Care and Health, Education, Children and Families, Environment and Community Services, Public Protection and Safety and Renewal, Recreation and Housing. In addition, there are sub-

committees for Health Scrutiny and Education, Children and Families Budget and Performance Monitoring. Ad hoc scrutiny reviews are undertaken from time to time.

- 4.12 Scrutiny is an important part of the Council's governance arrangements under the Local Government Act 2000. Although scrutiny committees have no decision making powers, they hold the Executive and individual executive portfolio holders to account, examine executive decisions and propose new policies. Most non-executive councillors sit on at least one of the PDS committees.
- 4.13 In recent years a key element of the work of scrutiny has been to undertake pre-decision scrutiny of decisions by the Executive and individual Portfolio Holders. This enhances democratic accountability and ensures that matters which impact on the council membership, as a whole and the electorate can be input into the decision making process at an early stage which supports transparency and the democratic process and ensures that executive councillors are accountable for the decisions that they make.
- 4.14 PDS Committees have broad scope to scrutinise beyond the boundaries of Council services, particularly in areas such as health and public protection. Two councillors from Bromley sit on a joint health overview and scrutiny committee covering all of South East London. This ability to scrutinise partner organisations is crucial at a time when more and more services are delivered through partnerships.
- 4.15 PDS Committees are each scheduled to meet at least 5 times a year, but beyond these formal meetings, many councillors carry out additional work such as attending visits or presentations, carrying out research and attending working group meetings. A reduction in the number of councillors would have a particular effect on the ability of councillors to carry out scrutiny effectively.
- 4.16 An Annual Scrutiny Report is published summarising scrutiny activity - the 2018/19 report is attached at [Appendix C](#).

Outside Bodies

- 4.17 Councillors are appointed by the General Purposes and Licensing Committee to serve on a range of "outside bodies" - local or regional organisations and charities. Most Executive members attend meetings of London Councils relating to their specific portfolio responsibilities. Some of these positions with the more local charities may be filled by members of the public, but some 60 to 70 roles are allocated to Councillors. The amount of work involved may vary, but most roles involve attendance at several meetings a year, sometimes outside the borough. A list of outside body appointments is attached as [Appendix D](#).

Delegation of Functions

4.18 The Council's Scheme of Delegation to Officers sets out in detail those matters which have been delegated to senior officers either by the Leader (executive matters) or by the Council and its committees (non-executive matters.)

Role of the Mayor

4.19 The Mayor is chosen annually by the full Council and is chairman of full Council meetings. The Mayor chooses a Deputy Mayor to assist them during their year in office.

4.20 The Mayor represents the Queen and is the "first citizen" of the borough. He or she is the ceremonial representative of the Council. The Mayor represents the Council at civic functions and undertakes fundraising activities on behalf of their chosen charity or charities. Other than chairing full Council meetings the Mayor does not participate in the Council's decision making and is expected to be politically impartial during their year in office.

4.22 The mayoral function is widely respected and of great significance to the residents of Bromley. In recent years some Mayors and their deputies have attended over 900 Civic functions and events. It is unusual for less than 450 functions/events to be carried out in a Mayoral Year.

Roles of Councillors

4.23 Councillors perform a number of roles, which can be summarised in terms of their responsibilities (i) to represent the residents in their wards, (ii) to serve the borough as a whole, and (iii) to serve in particular roles.

4.24 Bromley is a large and diverse borough, with some wards having a very urban, inner city atmosphere, some being suburban in character and some containing large tracts of green belt and open countryside. Bromley Councillors set a very high value on representing the interests of their wards, and the residents and businesses in them. The amount and nature of casework for ward councillors can vary substantially, and there are pockets of deprivation which place an additional burden on some ward councillors.

4.25 All Councillors are more accessible than ever due to the impact of electronic communication and social media, with greater demands placed on them to respond immediately and provide instant solutions. As the borough's population increases it is likely that these demands will also increase. In some wards, Councillors continue to hold surgeries or are available at prominent locations in their wards to meet with their residents, but an increasing amount

of casework is now conducted by email. All councillors are offered a choice of computer and telephone equipment to use for their Council work.

4.26 All councillors are expected to contribute to the Council's strategic work by attending full Council meetings and (with the exception of the Mayor) a range of committees, sub-committees and other meetings. In addition, they will probably be attending a range of pre-meetings, party group meetings, residents' group meetings in their ward and other meetings. A list of numbers of meetings held in 2016/17 and 2017/18 is attached at [Appendix E](#), with a summary of councillor attendance for 2017/18 at [Appendix F](#). There are no plans to make any substantial changes to the current Executive and Committee arrangements.

4.27 More than half of councillors have a particular role as an executive Portfolio Holder, Chairman or Vice-Chairman. Some of these roles will involve investment of considerable amounts of time, outside the specific formal meetings. 32 councillors receive special responsibility allowances for carrying out particular roles; 36 councillors receive a "quasi-judicial" allowance for serving on a Plans Sub-Committee, a Licensing Sub-Committee or the Fostering and Adoption Panel.

Conclusions

4.28 The role of the Councillor has become more complex and demanding, with a higher public profile and greater expectations from the public. The current governance arrangements for the Council are based on a compliment of 60. However it is likely to be less sustainable as the electorate and population grow and a modest increase from 60 to 62 elected councillors will have minimal additional cost whilst ensuring that Councillors can fulfil their representational and democratic roles and responsibilities.

Table 1

Ward	No of Councillors	Electorate as at 31.01.2019	Average Electorate per Elected Member
Bickley	3	11799	3933
Biggin Hill	2	7900	3950
Bromley Common & Keston	3	12792	4264
Bromley Town	3	13444	4481
Chelsfield & Pratts Bottom	3	11200	3733
Chislehurst	3	12099	4033
Clock House	3	11907	3969
Copers Cope	3	12717	4239
Cray Valley East	3	11643	3881
Cray Valley West	3	12278	4093
Crystal Palace	2	9244	4622
Darwin	1	4145	4145
Farnborough & Crofton	3	11785	3928
Hayes & Coney Hall	3	12721	4240
Kelsey & Eden Park	3	12470	4157
Mottingham & Chislehurst N	2	7433	3717
Orpington	3	12291	4097
Penge & Cator	3	12632	4211
Petts Wood & Knoll	3	10792	3597
Plaistow & Sundridge	3	11762	3921
Shortlands	2	7724	3862
West Wickham	3	12014	4004
		242792	

Table 2

London Borough	Hectares	Electorate (3/9/18)	No. of Cllrs	Avg. Electorate per Cllrs	Review started	Proposed size	Comments on Proposed size	Wards	3 member wards	2 member wards	1 member wards
Barking & Dagenham	3609.04	134,011	51	2,628	No	-					
Barnet	8673.72	252,832	63	4,013	Yes	63	Same				
Bexley	6055.95	175,488	63	2,786	Completed	45	Reduced (-18)	17	11	6	0
Brent	4323.52	228,781	63	3,631	Yes	57	Reduced (-6)				
Bromley	15015.45	241,406	60	4,023	No	-					
Camden	2179.6	153,917	54	2,850	Yes	54	Same				
Croydon	8651.89	281,944	70	4,028	Completed	70	Same	28	15	12	1
Ealing	5552.5	245,712	69	3,561	Yes	70	Increase (+1) (as per LGBCE)				
Enfield	8082.94	214,192	63	3,400	Yes	63	Same				
Greenwich	4734.38	188,001	51	3,686	No	-					
Hackney	1906.35	179,136	57	3,143	Completed	57	Same	21	15	6	0
Hammersmith & Fulham	1640.4	125,104	46	2,719	No	-					
Haringey	2958.85	176,884	57	3,103	Yes	57	Same				
Harrow	5046.91	180,521	63	2,865	Yes	55	Reduced (-8)				
Havering	11236.35	191,224	54	3,541	No	-					
Hillingdon	11569.87	203,380	65	3,141	Yes	53	Reduced (-12)				
Hounslow	5598.62	194,932	60	3,249	Yes	60	Same				
Islington	1485.95	152,235	48	3,171	No	-					
Kensington & Chelsea	1212.95	94,547	54	1,890	Completed	50	Reduced (-4)	18	14	4	0
Kingston upon Thames	3724.69	115,451	48	2,405	No	-					
Lambeth	2682.14	220,801	63	3,504	No	-					
Lewisham	3514.54	199,555	54	3,695	No	-					
Merton	3760.87	150,732	60	2,512	No	-					
Newham	3622.36	206,906	60	3,448	No	-					
Redbridge	5641.14	208,348	63	3,307	Completed	63	Same	22	19	3	0
Richmond upon Thames	5741.52	139,321	54	2,580	No	-					
Southwark	2885.41	218,239	63	3,464	Completed	63	Same	23	17	6	0
Sutton	4385.02	150,302	54	2,783	No	-					
Tower Hamlets	1976.9	194,553	51	4,323	Completed	45	Reduced (-6)	20	7	11	2
Waltham Forest	3881.4	187,360	60	3,122	No	-					
Wandsworth	3426.29	229,155	60	3,819	No	-					
Westminster	2147.78	133,943	60	2,232	No	-					

Table 3

London Borough of Bromley		
Analysis Borough Electorate Totals for January 2019 Register		
Borough	Polling District	Electorate
Bickley	BK1 -	2,022
	BK2 -	1,058
	BK3 -	1,238
	BK4 -	3,031
	BK5 -	1,444
	BK6 -	2,954
	Total for Bickley	11,745
Biggin Hill	BH1 -	2,808
	BH2 -	3,250
	BH3 -	1,830
	Total for Biggin Hill	7,888
Bromley Common & Keston	BC1 -	2,548
	BC2 -	1,547
	BC3 -	3,883
	BC4 -	2,835
	BC5 -	1,865
	Total for Bromley Common & Keston	12,778
Bromley Town	BT1 -	1,708
	BT2 -	2,071
	BT3 -	891
	BT4 -	2,312
	BT5 -	1,560
	BT6 -	3,119
	BT7 -	1,757
	Total for Bromley Town	13,418
Chelsfield & Pratts Bottom	CB1 -	2,717
	CB2 -	2,508
	CB3 -	2,490
	CB4 -	265
	CB5 -	2,382
	CB6 -	812
	Total for Chelsfield & Pratts Bottom	11,174
Chislehurst	CH1 -	1,440
	CH2 -	3,201
	CH3 -	2,319
	CH4 -	4,144
	CH5 -	962
	Total for Chislehurst	12,066
Clock House	CL1 -	2,917
	CL2 -	1,868
	CL3 -	2,855
	CL4 -	3,306
	CL5 -	1,104
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London Borough of Bromley

Analysis Borough Electorate Totals for January 2019 Register		
Borough	Polling District	Electorate
	Total for Clock House	11,850
Copers Cope	CC1 -	4,278
	CC2 -	4,331
	CC3 -	4,041
	Total for Copers Cope	12,650
Cray Valley East	CE1 -	3,199
	CE2 -	1,718
	CE3 -	1,389
	CE4 -	1,284
	CE5 -	1,207
	CE6 -	2,816
	Total for Cray Valley East	11,613
Cray Valley West	CW1 -	1,795
	CW2 -	2,850
	CW3 -	3,993
	CW4 -	3,615
	Total for Cray Valley West	12,253
Crystal Palace	CP1 -	1,289
	CP2 -	2,868
	CP3 -	3,372
	CP4 -	1,885
	Total for Crystal Palace	9,214
Darwin	DA1 -	966
	DA2 -	537
	DA3 -	353
	DA4 -	622
	DA5 -	500
	DA6 -	357
	DA7 -	793
	Total for Darwin	4,128
Farnborough & Crofton	FC1 -	1,929
	FC2 -	878
	FC3 -	2,086
	FC4 -	4,088
	FC5 -	1,357
	FC6 -	1,438
	Total for Farnborough & Crofton	11,776
Hayes & Coney Hall	HA1 -	1,781
	HA2 -	1,602
	HA3 -	2,023
	HA4 -	2,945
	HA5 -	3,334
	HA6 -	1,022
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London Borough of Bromley

Analysis Borough Electorate Totals for January 2019 Register		
Borough	Polling District	Electorate
	Total for Hayes & Coney Hall	12,707
Kelsey and Eden Park	KP1 -	2,168
	KP2 -	2,680
	KP3 -	3,426
	KP4 -	4,183
	Total for Kelsey and Eden Park	12,457
Mottingham & Chislehurst North	MO1 -	1,763
	MO2 -	2,038
	MO3 -	2,420
	MO4 -	1,181
	Total for Mottingham & Chislehurst North	7,402
Orpington	OR1 -	2,002
	OR2 -	1,122
	OR3 -	2,690
	OR4 -	2,893
	OR5 -	1,363
	OR6 -	2,198
	Total for Orpington	12,268
Penge and Cator	PE1 -	2,179
	PE2 -	1,188
	PE3 -	1,196
	PE4 -	3,214
	PE5 -	2,331
	PE6 -	2,461
	Total for Penge and Cator	12,569
Petts Wood & Knoll	PW1 -	2,792
	PW2 -	887
	PW3 -	4,553
	PW4 -	2,755
	Total for Petts Wood & Knoll	10,787
Plastow & Sundridge	PS1 -	1,358
	PS2 -	3,117
	PS3 -	2,247
	PS4 -	2,517
	PS5 -	2,480
	Total for Plastow & Sundridge	11,719
Shortlands	SH1 -	1,894
	SH2 -	2,092
	SH3 -	1,578
	SH4 -	2,158
	Total for Shortlands	7,722

London Borough of Bromley

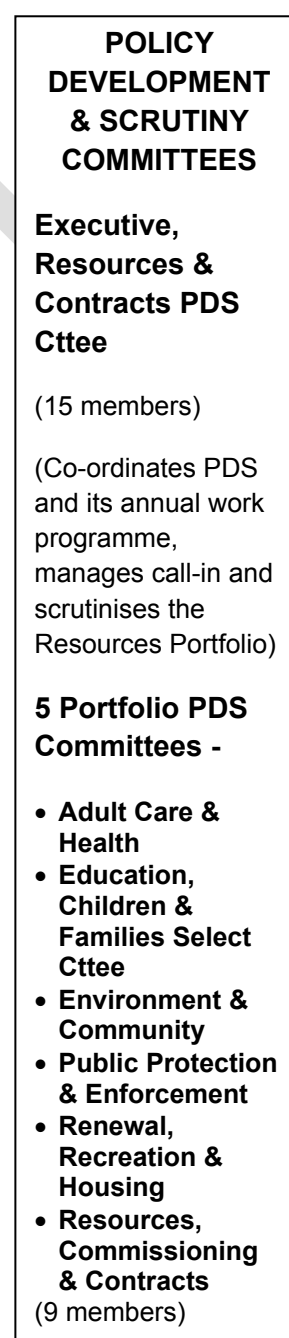
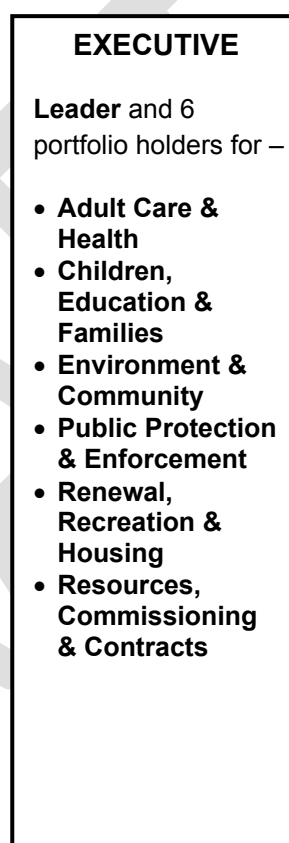
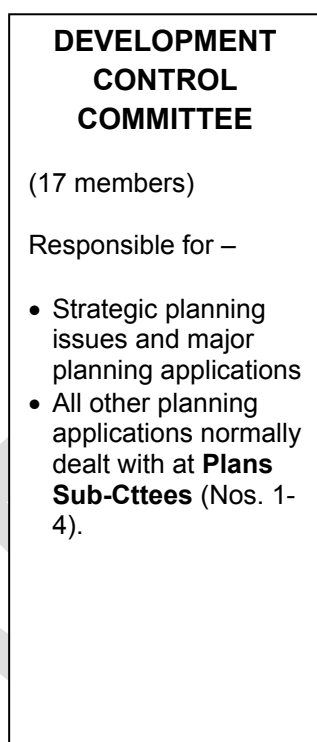
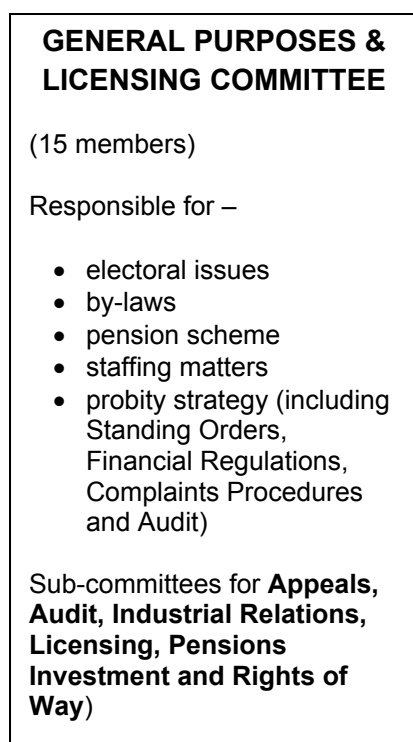
Analysis Borough Electorate Totals for January 2019 Register

Borough	Polling District	Electorate
West Wickham	WW1 -	1,876
	WW2 -	2,992
	WW3 -	2,712
	WW4 -	4,425
	Total for West Wickham	12,005
	Report Total	242,189

Table 4

Ward Code	Ward	2019	2024	Change 2019 to 2014
E05000106	Bickley	12,432	12,620	188
E05000107	Biggin Hill	8,317	8,428	111
E05000108	Bromley Common and Keston	13,282	13,315	33
E05000109	Bromley Town	15,056	17,013	1,957
E05000110	Chelsfield and Pratts Bottom	11,810	11,864	54
E05000111	Chislehurst	12,902	12,950	48
E05000112	Clock House	13,016	13,045	29
E05000113	Copers Cope	14,268	14,350	81
E05000114	Cray Valley East	12,330	12,340	10
E05000115	Cray Valley West	13,155	13,501	346
E05000116	Crystal Palace	11,076	11,460	384
E05000117	Darwin	4,247	4,250	3
E05000118	Farnborough and Crofton	12,034	12,223	190
E05000119	Hayes and Coney Hall	12,929	13,067	137
E05000120	Kelsey and Eden Park	13,164	13,270	106
E05000121	Mottingham and Chislehurst North	7,904	7,970	66
E05000122	Orpington	12,805	13,121	317
E05000123	Penge and Cator	14,105	14,128	22
E05000124	Petts Wood and Knoll	11,374	11,486	112
E05000125	Plaistow and Sundridge	12,527	12,572	45
E05000126	Shortlands	8,161	8,230	69
E05000127	West Wickham	12,067	12,188	121

Council Structure



Reports from Executive Assistants, 2018/19

Cllr Angela Page, Executive Assistant to the Adult Care & Health Portfolio Holder

This is my second year in the position of Executive Assistant to the Portfolio Holder for Adult Care & Health, Cllr Diane Smith.

My main focus continues to be the monitoring of the work of the Contract Compliance and Monitoring team. Following the changes that were implemented previously, I have now worked with officers in the development of a Dashboard as a departmental management tool which enables a quick reference to care homes used in the Borough and is used to update the Portfolio Holder on a regular basis. A version of the Dashboard to support the domiciliary care framework monitoring is now in the process of being developed.

At the beginning of each month the Contract Compliance and Monitoring team supply a set of spreadsheets which set out comprehensive details of which monitoring visits have been undertaken and are planned and now also provide a dialogue for each individual provider, an update I asked to be added. These reports cover not just care homes and domiciliary care services but also extra care housing and learning disability & mental health facilities.

The Portfolio Holder previously accompanied contract visits but this has now been delegated to me as part of the overall task of monitoring and working with the department.

Additionally, I receive a weekly report from the CQC setting out which inspection reports are published. If appropriate I follow up with the contracts monitoring team to establish what actions (if any) need to be taken.

I have also taken on the responsibility for monitoring the responses to complaints received directly to the complaints team in respect of Adult Care Services. I receive a weekly update on the outstanding complaints and I also meet with the Head of Service for Customer Engagement and Complaints on a regular basis to discuss individual complaints and get a general overview.

As well as the specific projects mentioned above, each month I also attend at least two of the weekly meetings that the Portfolio Holder has with the Interim Chief Executive and senior departmental officers.

Throughout the year I have attended a number of visits with the Portfolio Holder.

In February we visited two Adult Day Care Centres – The Saxon Centre in Orpington and Bertha James in Bromley. At each we met with members of the boards as well as interacting with the residents visiting the centres.

During the year we have also visited a number of Extra Care Housing providers. In March we visited Apsley Court in St Mary Cray. In August we visited Norton Court and Sutherland Court in Beckenham. In September we visited Regency Court and Crown Meadow Court on Bromley Common. On each of these visits we speak with staff and residents to get feedback on the care being given and received.

I also joined the Portfolio Holder in a walkabout in July in the Adult Care departments where we spent time talking to the staff.

I also took part in the general visits arranged for councillors to the Florence House Nursing Home in Bromley and to Bromley Healthcare where we were all given a presentation on their work as well as meeting staff.

In April, I was invited in my role of Executive Assistant to visit the Beechmore Court Care Home in Bickley to view the facilities on offer and speak with the board.

I have represented the Portfolio Holder at further meetings of Care Home providers in Bromley where representatives are invited to come along to discuss concerns and issues and ideas.

I also attend the Care Services PDS meetings as an observer.

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**Cllr Nicky Dykes
Executive Assistant to the Children, Education & Families Portfolio
Holder**

It's been a busy nine months since taking on the Executive Assistant role to Cllr Peter Fortune, Portfolio Holder for Children, Education and Families. A lot has been done but there is still more to do. In summary here is an outline of the work undertaken so far and what I will be focussing on over the coming months.

Activity Undertaken

1. I have been keen to get to know the department well and have spent time meeting key teams on a one to one basis covering SEN provision, Early Years, strategy and education. These are the areas that are of interest to me and where I felt I could make a difference.
2. The department does great work and part of my role is to help shine a light on this and help the council programmes and initiatives reach more

Bromley families. A good example of this is the Mayor of London's Healthy Early Years London programme. The initiative aims to encourage early years' and childminders to focus on health and wellbeing to support the achievement and education of young children. Bromley is outperforming the rest of London in both uptake and awards of bronze, silver and gold. I was delighted to attend the award ceremony last year with the acting Chief Executive which was covered in the local paper -

<https://www.newsshopper.co.uk/news/17188722.healthy-early-years-programme-gets-off-to-a-flying-start-in-bromley/>. We are now discussing how we push this further and get even more providers on board.

3. I have been delighted to join the SEN Governance Board and am looking at how members can help promote the Local Offer.

4. An initiative I have been very passionate about is involving families in policy development and improving communication. I have therefore been very excited to join forces with Cllr Aisha Cuthbert in launching a new playgroup - Talk, Tots and Tumble. It is held on a Saturday every other month in the free soft play area at The Glades. The purpose of hosting this on a weekend and in a child friendly environment is to make it more convenient for parents and carers to attend.

The sessions are advertised on social media, including on the Glades Twitter account and website as well as posters in Central Library and in our Children and Family Centres. We were pleased that our first session was covered in the Bromley Times. You can find out more on our Facebook page -

<https://www.facebook.com/talktotstumble/>.

They have been well attended with areas of interest being childcare funding and healthcare services. We have created information packs to hand out at the sessions which have been popular, with residents very much appreciating the opportunity to discuss issues of importance to them and their families.

5. Attending the Children, Education and Families Select committee to support Cllr Fortune and the Budget Sub Committee.

Areas of Focus Going Forward

Whilst much of the work outlined above will of course continue I have identified with the Portfolio Holder and officers the areas I would like to focus on next.

1. Working with Rachel Dunley we will be investigating how the services provided at our children centres can be promoted and communicated to reach even more of the families in the Borough. Clearly setting out the journey from birth through to key parenting milestones and the support services available. This is likely to include social media as well.

2. School places – the school places planning group will be meeting soon, and I am currently in discussions about how this can evolve to incorporate a greater parent voice and community involvement.

3. Early years sufficiency report – the Borough is required to provide secure and sufficient child care places and a report setting out how this is achieved. I have recently met with the new early years manager to discuss this and shaping the content. This will be worked on over the coming months.

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Cllr Kira Gabbert
Executive Assistant to the Environment & Community Services Portfolio Holder

Having been appointed by Cllr William Huntington-Thresher in May 2018, this is my first year in the position of an Executive Assistant. Environment portfolio covers a vast range of issues and I am grateful for the opportunity to learn about its' various aspects.

The Portfolio Holder asked me to continually monitor Fix My Street ("FMS") as it was felt that the communications aspect of this extremely useful tool could be improved. I am monitoring FMS threads for different Wards on a weekly basis, following up with the service leads when it is felt that an intervention might be required. I also receive fortnightly RAG reports to help me with this task.

As part of the FMS initiative, I have recently attended a meeting with the Street Lighting Project Board, to discuss how we can work together with our service provider to ensure continuous improvements in handling of FMS inquiries. I have requested for the changes in frequency of FMS updates to be implemented in order to improve the communications aspect of FMS for our residents.

At the request of the Portfolio Holder, I have been liaising with Lorraine McQuillan, Town Centres & BID (Business Improvement District) Development Manager. Our aim is to closely engage with the BID managers to ensure the BIDs' needs are being met in the context of an agreed framework. The next meeting with the BID Managers is scheduled to take place in the second half of February. At this meeting the new Environment contract can be outlined and there will also be an opportunity for the Managers to raise any other specific issues. Going forward we will look to have a meeting every 3 months with all the BID Managers and the relevant officers from the Council.

I am working with the Neighbourhood Management Team with a view to introduce a street care plan and eventually present this to the Environment PDS for their consideration and approval.

As a separate initiative, I am continuing discussions with the officers aimed at reducing the use of pesticides in the Borough's parks and green spaces

through collaboration with IdVerde and looking into possibilities to trial and employ eco-friendly weed-control methods such as hot-foam technology.

I very much enjoyed representing the Portfolio Holder and LBB at the opening of FC Elmstead new clubhouse at Chislehurst Recreation Ground, and at a recent launch of a crowdfunding campaign by Friends of Kings Meadow community group. These had been very positive experiences, as I was able to see what real difference community groups could make with the right support from the Council.

I have attended meetings with the Portfolio Holder as and when required as well as the Environment PDS meetings.

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**Cllr Hannah Gray,
Executive Assistant to the Renewal, Recreation and Housing Portfolio
Holder**

I have been delighted to continue as Executive Assistant to Cllr Morgan since being invited to the post in 2017.

In my role, I have attended monthly meetings with Cllr Morgan and on occasions when requested the weekly meeting between himself, Colin Brand, and his team which covered a varied and wide range of issues that are dealt with within the Portfolio.

My initial project has been to develop a strategy to ensure that Bromley has the best coverage possible for both Broadband and Mobile. In order to progress this project I have met with Kevin Munnely and other professionals and specialists in this sphere; researched the current situation and providers that would be able to offer a better service and will continue to negotiate with potential providers. I have previously had meetings with Steve Barnes (deputy chair of Downe residents association and former Senior BT Executive in this field) who successfully increased the coverage in the Downe area and whose knowledge has been invaluable and will be very useful going forward. I have also met with local Tier 1 providers who are keen to be involved once we have the final completed information back that we have commissioned, which is unfortunately taking longer than anticipated.

I have attended Bromley Economic Partnership meetings and increased the awareness of the meeting by inviting additional influential businesses. Cllr Morgan has identified the benefits that can be had from creating an open networking session in conjunction with the Bromley Economic Partnership meetings. Cllr Morgan is aware of my extensive networking experience with small and medium size business and has therefore tasked me with expanding his idea. I have developed this in order for local businesses to strengthen their

relationship, communication, mutual support and provide an environment for off agenda discussions.

I will continue to work closely and promote LBB with small to medium size business in Bromley at the many networking events I attend throughout the Borough to ensure businesses are aware of, and participating in, the support Bromley Council facilitates.

I have deputised for Cllr Morgan at the Bromley BID meetings and liaised with the BID teams to offer assistance on projects and surveys.

I have also attended Night Tsar meetings representing Bromley during discussions at City Hall re London's night time economy and the part Bromley plays.

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**Cllr Gary Stevens,
Executive Assistant to the Resources, Commissioning & Contract
Management Portfolio Holder**

(Extract from the minutes of the Executive, Resources and Contracts PDS Committee meeting on 7th February 2019)

The Executive Assistant for Resources, Contracts and Commissioning, Cllr Gary Stevens, addressed the Committee providing an overview of what he had been doing since taking up the post in May 2018, and highlighting the following areas:

- Prior on embarking on the role of Executive Assistant, Cllr Stevens had looked at areas where he could best add value.
- Using existing professional knowledge, Cllr Stevens had been involved the IT Transformation project, working with the Head of ICT to deliver the revised IT Strategy.
- Attention had now turned to the wider organisational transformation project which had commenced.

In response to questions from Members, the Executive Assistant made the following points:

- Cllr Stevens was willing to lend his IT expertise to the wider organisational transformation project, although time pressure may be a limitation on involvement.
- On taking on the role there had been no established work programme or key performance indicators; instead there had been a loose framework setting out general areas of involvement. A Member suggested that establishing a work programme and key performance indicators might be something that the Constitutional Improvement Working Group may wish to review in order to provide a more structured framework against which value for money for the Executive Assistant allowance could be measured.

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**Cllr Aisha Cuthbert,
Executive Assistant to the Executive Assistant to the Leader - Portfolio
Holder**

I was appointed Executive Assistant to the Leader, Cllr Colin Smith in May 2018. This is my first year as an EA and I have enjoyed getting to know various different departments and working with Cllr Smith on tackling some of the challenges we're facing as a borough.

In November, I had the opportunity to speak at the Executive, Resources and Contracts Policy Development and Scrutiny Committee about my role and some of things I have achieved so far. I highlighted some of the work I've been focusing on in relation to housing given that there are significant resource and financial pressures on temporary accommodation in the borough. I also highlighted a new project I started with Cllr Dykes to reach out to Bromley's busy families about the various programmes and resources available for families and children.

I've been working with the housing department to ascertain policies that can help reduce our temporary accommodation costs and other challenges that relate to the housing crisis. Some of the areas that I have looked at include:

- Working with the portfolio holder for housing and officers on potential projects and programmes that will address the financial pressures associated with homelessness.
- Looking at our relationship with housing associations and investigate potential regeneration sites that could increase the number of social homes in the borough, helping to reduce our reliance on TA.
- Research other housing policies that will help the "stretched middle" in Bromley – those that are earning too much money to qualify for social rent, but who struggle to afford market rent.
- Looking at keyworker accommodation and the types of professions we need to attract to the borough like social workers and healthcare professionals.

As the EA to the Leader, it was important for me to look at other areas that I could support and it was clear that although Bromley offers some fantastic resources and programmes to families and children, reaching out and getting the message to parents and carers is challenging. Cllr Nicola Dykes and I started a new initiative which seeks to address the communication gap, called "Talk, Tots and Tumble". The programme brings information to Bromley's young families at the soft play area in The Glades. Our aim is to bring a new policy topic to every event we host to showcase the fantastic services that LBB offers. At the time of writing, we have hosted two events, the first was on family

policies and the second held at the end of January was on health. We intend to hold a third in the spring on housing and related services.

I have enjoyed my time so far as EA to the Leader and I look forward to continuing to work with, and, support Cllr Colin Smith.

DRAFT



THE LONDON BOROUGH

**Policy Development & Scrutiny
Annual Report 2018/19**

For submission to Full Council on 8th April 2019

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1. Foreword

1. On behalf of all my colleagues who are engaged in Policy Development and Scrutiny Committees in the London Borough of Bromley, I have great pleasure in presenting our Annual Report for 2018/2019, which summarises the work that has been carried out by the Committees during the Council year.

2. The continuing Government reductions in funding support for local councils and the ongoing cost pressures faced by Bromley Council leaves a long term funding gap. The 2019/20 budget has been balanced, however for future years the gap as follows; £16M for 2020/21 and £21M for 2021/22 and £32M for 2022/23 which means that total cumulative cash savings of around £68M over the next 4 years need to be found. The Council has a legal obligation to set a balanced budget, so effort is needed to generate income and find additional savings over this period. The Government will implement the devolution of business rates to individual boroughs from 2020/21 which will allow Bromley to retain a greater share of the business rates it collects (subject to equalisation). Although Bromley is currently part of a London Business rate pilot, the devolution to individual boroughs will offer Bromley an opportunity to be rewarded for growth as well as challenges with any downside risk. Over the next few years this will mean that the Growth Fund will be very important to drive additional business rate revenue.

3. Against this tough background 2018/19 has come in on budget subject to the use of some contingency. Over recent years the Council has set balanced budgets, without significantly impairing the delivery of frontline services. However, in light of the looming budget gap, the Council has increased Council Tax this year by a Bromley element of 3.99%, including the 2% increase to fund social care. In addition the Labour London Mayor and GLA also increased its precept by 5.1%, making the net overall increase of 4.21% for Bromley residents. Current assumptions indicate a 4.99% increase in Bromley's Council Tax share in 2019/20. Bromley Council continues to be debt free, meaning our residents' Council Tax is spent on services and not on interest payments.

4. The Council continues to promote significant change, both in organisational terms and in its ability to continue to provide services expected by residents. The Council has over 1300 statutory obligations to discharge, and the associated costs represent a significant proportion of the Council's overall budget. These take priority over discretionary spending. The funding gap can't be closed without taking some difficult decisions and halting some services all together. Due to its prudent financial management, Bromley Council is able to deal with these challenges but needs to ensure that early decisions are taken and adequate reserves are retained and where appropriate invested to maintain sustainable finances.

5. In addition to the financial challenges ahead and the need to become a different organisation with fewer resources, the Council should grasp opportunities for wider integration across public services including health and local government and look at cooperation with other Local Authorities to drive efficiencies. The Council will need to identify new investment opportunities to help protect key services whilst managing any associated risks. This might need a new look with an Investment and Revenue Generation Sub-Committee, to help grow revenue outside the usual call on tax payer funds. Scrutiny will

remain key to ensure that there is adequate control and stability. In the context of these challenges, the Council should review its current structures including the PDS function to ensure that scrutiny can drill down to an appropriate level when looking at opportunities for value for money.

6. The PDS Committees will have an increasingly important role over the coming years to formulate acceptable solutions for the reduction in service provision, which has to come, whilst continuing to deliver quality services to the residents of Bromley.

7. Finally, I would like to thank all Committee Chairmen, members, and the Council's officers for their diligence and hard work during last year in finding practical solutions, which have ensured that Bromley Council could formulate a balanced budget and is able to continue to provide essential services next year, which are important to our residents.

Cllr. Simon Fawthrop

Chairman, Executive Resources and Contracts PDS Committee

2. Policy Development and Scrutiny

Chairmen 2018/19



Cllr Simon Fawthrop
Executive, Resources & Contracts



Cllr Mary Cooke
Adult Care & Health Services



Cllr Nicholas Bennett JP
Education, Children & Families Select
Committee



Cllr Will Harmer
Environment and Community Services



Cllr David Cartright
Public Protection and Enforcement



Cllr Michael Rutherford
Renewal, Recreation & Housing

3. Policy Development and Scrutiny in Bromley

Introduction

- 3.1 Six Policy Development and Scrutiny (PDS) Committees at Bromley discharge the overview and scrutiny functions conferred by sections 21 and 32 of the Local Government Act 2000 and successive legislation. The Executive and Resources PDS Committee has an over-arching, co-ordinating role on behalf of the other five PDS Committees and is required by the Council's Constitution to present Full Council with an Annual Report "on the Policy Development and Scrutiny functions and PDS budget, and amended working methods if appropriate" (Article 6, Section 6.03 (d) of the Constitution).
- 3.2 The PDS Committees mirror the Council's executive portfolios:
- Executive, Resources & Contracts (covering both the Resources, Contracts and Commissioning Portfolio and the Executive)
 - Adult Care & Health Services
 - Education, Children and Families Select Committee
 - Environment & Community Services
 - Public Protection and Enforcement
 - Renewal, Recreation & Housing
- 3.3 In addition to these Committees there are two PDS Sub-Committees:
- Education, Children and Families Budget and Performance Monitoring Sub-Committee
 - Health Scrutiny Sub-Committee
- 3.4 Although they have no decision-making powers, PDS Committees and Sub-Committees have key roles in contributing to policy development and scrutinising the decisions of the Executive and individual Portfolio Holders.

Policy Reviews

- 3.5 PDS Committees advise Portfolio Holders, the Executive and full Council on policies, budgets and service delivery. PDS Committees can commission groups of Councillors to review an issue or policy, so assisting a Portfolio Holder or the Executive to improve a service or function affecting local people. This can be linked to a forthcoming decision by a Portfolio Holder or the Executive or to assist in formulating fresh, new policy. In each case detailed, evidence-based assessments are carried out and recommendations made in a report. In the process, Councillors can speak to a broad range of people to help gather information for their evidence-based reports.

One-Off Reviews

- 3.6 In addition to in-depth policy reviews, PDS Committees can also review a topical issue at Committee with comments and recommendations referred on to the Portfolio Holder. These reviews are often based around a presentation or an evidence-giving session with expert witnesses.

Performance and Budget Monitoring

- 3.7 PDS Committees monitor the performance of services, functions and contracts within their remit, assessing performance against key performance indicators and policy objectives. Concerns are reported to a Portfolio Holder who can then, if necessary, be called to a PDS Committee meeting to account for the performance of his or her Portfolio.
- 3.8 PDS Committees are also involved in the budget setting process and provide considered comments and recommendations for the Executive to take account of when formulating the Council's annual budget. Similarly, PDS Committees also monitor in-year spend of budgets and raise concerns where there is any possibility of overspend or other issues affecting spending priorities.

Call-in

- 3.9 The call-in process is a key means by which PDS Committees can hold the Executive to account. Any five Councillors can call in a decision and prevent it from taking immediate effect until it has been re-considered by a PDS Committee. The Committee can then interview the Portfolio Holder and officers and consider whether the decision is appropriate, within the Council's policy framework, and whether it should be reconsidered. If the Committee feels that the decision should be reversed or altered, it can make a recommendation to the Executive, which then has to reconsider the matter.
- 3.10 At the time of writing, one call-in has been made in 2018/19. The continued low level of call-in reflects an emphasis given to pre-decision scrutiny leading to better and more robust decisions which are less likely to be challenged.

4. Report from Executive, Resources & Contracts PDS Committee

Chairman: Cllr. Simon Fawthrop

Vice-Chairman: Cllr. Keith Onslow

1. Introduction

In 2018/19 the Committee held 8 scheduled meetings, and 1 additional meeting. The regular meetings included the scrutiny of items to be decided at the Executive's meetings, in addition to matters reported to the Committee. The Committee also has Contracts and Commissioning Sub-Committee, chaired by Cllr Wells with support from Cllr Neil Reddin as Vice-Chairman, which has undertaken some very useful work in coordinating the end to end contract scrutiny process and analysing gaps in the processes. I would also like to thank the members of the Committee for their contributions and thank the Officer team, for their support across the year, including call overs and agenda setting as well as numerous ad hoc meetings.

2. Scrutiny of the Executive and the Resources, Contracts and Commissioning Portfolio Holder

The Committee's principal role is to scrutinise the decisions of the Executive and to hold the Leader of the Council, the Chief Executive Officer and the Resources, Contracts and Commissioning Portfolio Holder to account. This Committee has discharged its responsibilities diligently and competently during the year. I would like to thank all the above for their valuable contributions. I would also like to thank the PDS Chairmen for their regular reports and contributions, as well as Committee members for bringing their insight and wisdom to the meetings.

3. Review of Council Activities

The Committee has been very conscious of the need to reduce costs and has diligently scrutinised budget and capital programme reports and measures to bring costs under control, including overspends across some budget headings. The contracts register and the disposal of various surplus assets, the performance of the Council Tax Support Scheme and issues concerning homelessness and temporary accommodation, Treasury Management performance which continues in the top 10% of local authority performances, the various invest-to-save projects, as well as details on the Growth Fund and Investment Fund initiatives and the risk register were also considered. In addition the Committee considered the disposal of assets including the Old Town Hall site.

4. Scrutiny of Contracts.

The Committee also reviewed the work of key supplier contracts including the IT Services contract provided by BT (as I am an employee of BT these items were chaired by Cllr Onslow, to avoid any conflict of interest). We also reviewed the work of Liberata and Amey. Whilst it has been good to see the Liberata contract performing well and showing both good value for money and a good level of service, Amey has been more challenging. Bromley's employees often bring poor performance and poor standards by Amey to me on a

confidential basis, whilst some things have changed, the fact that these complaints continue means further and deeper scrutiny is required. The retendering of the Exchequer Services Contract was being scrutinised by the Contracts and Commissioning Sub Committee under Cllr Wells.

5. Outlook

The Government's cost reductions have continued to impact on the Council's finances. The task to find the savings necessary to balance the Council's budget has been a major factor across this year.

Keeping on top of the cost pressures, which include additional growth items of up to £33m in 2022/23, partly offset by mitigation of £15m, will be crucial in delivering a balanced budget in future years. The main challenge is closing the funding gap of £32 million by 2022/23, and a lot of hard work remains to ensure the Council continues to set legal budgets over the coming years. On a positive note a Brexit bounce for the economy is just around the corner.

6. Conclusions

The Council is undergoing significant change, both in organisational terms and in its ability to continue to provide services expected by residents. The era of streamlining, re-organising and cost cutting, whilst continuing to provide services "as usual" is becoming harder and difficult decisions will now have to be taken about reducing certain service provision. Statutory obligations will have to take precedence over providing discretionary support.

It remains essential that we take action to meet our statutory obligations, to have a balanced budget and ensure the Council provide key services whilst 'living within its means'.

The challenges for Bromley Council in the coming years are the need to make the wider public fully aware of the Council's financial position of balancing on-going service pressures against a backdrop of less central tax payer support year on year and to ensure that planning is in place for dealing with the budget gap in future years. This will include both cost reductions and revenue generation within the confines of the Building a Better Bromley, Clean and Green approach adopted by the Conservative administration.

Councillor Simon Fawthrop
Chairman, Executive & Resources PDS Committee

5. Report from Adult Care and Health PDS Committee

Chairman Cllr Mary Cooke

Vice Chairman. Cllr Robert McIlveen

The Adult Care & Health PDS and the Health Scrutiny Sub-Committee held a total of 9 meetings this year. The Sub-Committee considered moving its start time from 4pm to later in the day but after consultation with partners agreed that this would not be a positive move.

I begin by expressing thanks to all Committee Members, both elected and Co-Opted, officers and staff of LBB and the representatives of our health partners who have given unstintingly of their time and their expertise. In particular I would like to pay tribute to Kerry Nicholls, the Clerk to the Committees, who left LBB at the beginning of February. I wish her every success.

Review of 2018/2019

1. The Service is demand-led and the predicted overspend was mitigated by the release of funding from the Improved Better Care Fund, the Bromley Clinical Commissioning Group (BCCG) reserve and the work undertaken by the Invest to Save team.
2. During the year the Committee was pleased to note the “Good” outcome of the Reablement inspection in May 2018, the “Good” outcome of NHS England’s annual review of Bromley Clinical Commissioning Group, and the expected positive outcome of the Shared Lives Service Inspection which took place in early 2019.
3. There has been more proactive management of contracts reflecting the Committee’s role in scrutinising the improvement process and Members agree that they have a much improved line of sight of procurement and contract management. The previous flow of urgent decisions has ceased and at its last meeting the Committee was pleased to note that only one contract is red flagged and that is due to the proximity of the end of the contract.
4. The Committee scrutinised reports from the Public Health service which it found helpful. It resolved new funding of £603k to continue the Health Support to Schools programme targeted at children with medical and safeguarding needs to continue when the Better Care Funding ceases in March 2019.
5. Key highlights of the year include:
 - Successful partnership working with the Bromley Safeguarding Adults Board including the provision of safeguarding training for all Members of the Committee.
 - The recruitment of 15 newly qualified social workers strengthened the Adult Social Care Service.
 - The procurement of a new Social Care Case Management IT system.

- Attention has been given to both Supported Living and Shared Lives Schemes and recommendations successfully introduced to meet winter pressure demands in 2017/18. These were enhanced for 2018/19 and a report from the BCCG is planned for the March meeting of the Health Scrutiny Sub Committee. made as to procurement process
- The comprehensive evaluation of winter health services carried out by BCCG. A range of services were successfully introduced to meet winter pressure demands in 2017/18. These were enhanced for 2018/19 and a report from the BCCG is planned for the March meeting of the Health Scrutiny Sub Committee.

6. Sustained efforts have been undertaken to strengthen our relationship with our partners. The Chairman and the Portfolio Holder now have regular meetings with Bromley Healthcare and, health representatives meet the Health Sub-Committee bi-annually. We are also confident that relationships with Oxleas NHS Foundation Trust will improve following the appointment of Matthew Trainer (previously COO at the PRUH) as Chief Executive at Oxleas and the appointment of Cllr Yvonne Bear to the Oxleas Council of Governors. King's College Hospital NHS Foundation Trust has been subject to a number of severe challenges since it was placed in Financial Special Measures in December 2017, including the need to recruit a Chief Executive at the PRUH. However the inability to field a representative to attend the Sub Committee meeting in January or the meeting scheduled for the 6 March 2019 is more than regrettable.

Objectives for 2019/20

1. Continue to monitor the performance against budget with vigour paying particular attention to the Council's statutory duties that fall under the Committee's purview
- 2 Focus on mental health taking a holistic approach to encourage partners to work more closely to strive to ensure that physical, mental and social care needs of people are met. In particular scrutinise the process for transition from child to adult mental health services.
- 3 While appreciating the value of the present schedule of visits to Care Homes etc the Committee does not believe it is the appropriate forum for in depth scrutiny. It will, therefore, invite the providers of high value contracts and users of the service to contribute to the work of the Committee either by attending the meeting or giving feedback in a more appropriate way.
4. Scrutinise the contracts register and the contracts data base. Recognising that its role is to scrutinise the shaping of services and not to micro manage; it will scrutinise the in principle decision as to whether to provide a service and scrutinise the decision of the selection of a provider.

Councillor Mary Cooke

Chairman, Adult Care & Health PDS and Health Scrutiny Sub-Committee

6. Report from Education, Children & Families Select Committee

Chairman: Cllr. Nicholas Bennett JP

Vice-Chairman: Cllr. Neil Reddin

1. The Committee has now been in its present form as a Select Committee for three years and has bedded in well. All the members serving on the Committee have expressed their view that the way the Committee undertakes scrutiny and produces subsequent policy proposals is more effective than in the old PDS format where the emphasis was largely on scrutiny of the Portfolio Holder and his proposed decisions. The Select Committee process recognises that policy flows from the Executive but that, by Committee having control of what it scrutinises, it is able to examine in detail specific areas and make proposals for improvements. The new system holds the Portfolio Holder to account at each meeting and also over the year calls the senior officers for examination of their work. In addition, the Sub-Committee and, when necessary the main committee scrutinises contract decisions which the Portfolio Holder is minded to make.
2. The expansion of the Sub-Committee's role to include performance monitoring has enabled the Committee to give a fuller examination of the budget, the capital programme, contracts and risk registers, the Portfolio Plan and the annual reports of the Virtual School, Private Fostering, Adoption, Local Authority Designated Officer, the Independent Reviewing Officer, the Annual ECHS Complaints Report and the Bromley Safeguarding Children Board. These annual reports are produced at great cost and effort and deserve proper consideration. The Sub-Committee also invited the whole membership of the main Committee for the report into St Olave's School.
3. The Select Committee met five times in the year with an additional meeting to examine the sustainability of the Education Budget. This was one of two inquiries covering the entire budget under the Portfolio. The children's social care budget accounts for 20% of the Council's total controllable budget and therefore must play a considerable role in the way in which the total budget is managed and controlled. The Education budget is largely devolved to schools but some 2% is controlled by the Council. The Committee has made 22 proposals in total, across the two budgets, to improve the effectiveness, economy and efficiency of the way the budget is spent.
4. In addition to the two Reports referred to above the Committee conducted three other major inquiries into:
 - ***Post 16 Non-university technical education and apprenticeship Opportunities in Bromley***
 - ***The impact of Benefit Changes on Children and Families***
 - ***Lifelong Learning***

5. Three mini inquiries were held on the **Youth Offending Service** and **Adult Education**. Given the importance of the role of the Council as **Corporate Parents**, the Committee also looked at how Council Members could play a greater role in the lives of the children which the Council looks after.
6. The Portfolio Holder appeared for scrutiny at all but one of the meetings and, in addition, the Deputy Chief Executive and Director of Education Care and Health Services, the Interim Director of Children's Care and the new Director of Education have all been before the Committee for scrutiny sessions.
7. The Committee was very pleased that the **Living in Care Council** arranged for the Committee to view their new video '**Listen When I Speak**' and it raised important issues which we have considered in our examination of our role as Corporate Parents.
8. The Committee had one important presentation during the year when Gillian Palmer, the Interim Director of Education, presented a valuable research report on **Education Outcomes in Bromley**. The report was extremely helpful, particularly to new members of the Council, on the factors affecting progress at each of the key stages in the education of Children in the Borough.
9. The Committee will have new leadership in 2019-20 as I take on the role of Mayor and Cllr Reddin stands down as Chairman of the Sub-committee. We hope that the new Chairman and Deputy Chairman will build on the progress made by the Select Committee and its Sub-Committee. There are number areas for further improvement. We hope that all witnesses will, in future produce written evidence to be circulated with the agenda and secondly that the range of witnesses can be expanded outside the Council staff. We appreciate that it has been difficult to get schools to give evidence (and we are grateful to these who did respond to the inquiry on post 16 education). We were disappointed that the NHS, the largest employer in the Borough could not find anyone to attend the Post 16 education inquiry and that we have yet to get private sector witnesses to give evidence.
10. I would like to thank the former Director of Education, Care and Health Services, Ade Adetosoye OBE, Gillian Palmer, the former Interim Director of Education, Jared Nehra, our new Director of Education and Janet Bailey, Interim Director of Children's Care, together with all their staff for their help and assistance with the work of the Committee during the year.
11. My thanks also to all the members of the Committee and Sub-committee both elected and co-opted for their thoughtful contributions and cross party cooperation.
12. The behind the scenes work of preparing for the Committee includes an annual meeting with colleagues to discuss the year ahead and then, with my Deputy Chairman, an agenda planning meeting and a call over meeting with officers for each meeting in the annual cycle. I want particularly to pay tribute to Cllr Neil Reddin, the best Deputy I have ever worked with. Neil and I have worked closely together over six of my seven years as Chairman and I shall miss his calm, common sense approach both as Deputy Chairman and in his efficient chairing of the Sub-committee. Last but not least a huge thank you to

Philippa Gibbs, our Committee Clerk and administrator. Without her hard work in preparing the agendas, writing the minutes and drafting our Inquiry Reports the Committee would not operate in the efficient and effective way which it has done over the past years.

Cllr Nicholas Bennett MA JP
Chairman

Education, Children and Families Select Committee

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7. Report from Environment and Community Services PDS Committee

Chairman: Cllr. William Harmer

Vice-Chairman: Cllr. David Jefferys



I would like to start by thanking all the people who worked to ensure the success of the Committee in 2018/19. In particular:

- Our committee members whose questioning and contributions have shaped and improved the proposals coming through the committee
- The Director of Environment and Community Services, Nigel Davies and his team for their contributions both to the reports and to the meetings
- Cllr Huntingdon-Thresher for his courteous and knowledgeable responses to committee questions and concerns as Portfolio Holder with his Executive Assistant Cllr. Kira Gabbert
- Mr. Keith Pringle, our committee clerk who ensured each meeting ran smoothly
- The members of the public who in asking their own questions supported the committee in holding the Executive to account and demonstrated a clear passion for enhancing the neighbourhoods in which they live.

The services within this portfolio impact every resident in the Borough, from waste collection, parks and recycling to pot holes and road safety. Residents expectations from the service are changing and we're seeing increased emphasis on continuing to improve the safety of our roads, switching to new and more efficient ways of contacting the council, such as through FixMyStreet and the Bromley.gov.uk website and increasing demands to enhance and improve our parks. The committee has responded to these changing expectations driving ambitious policies.

As a Policy Development and Scrutiny function we serve two roles, firstly to scrutinise decisions relating to our area and secondly to develop and influence the direction of the Council's policy in this portfolio area.

I'm hopeful that members who participated in the committee and members of the public who took the time to attend felt that they had contributed to achieving tangible outcomes in both those roles. I highlight on the next page three key items (but not exhaustive) that the committee has achieved over the course of the year.

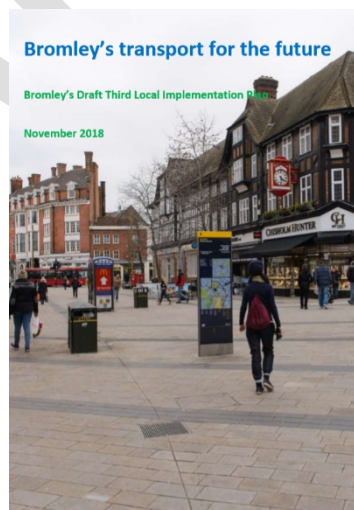
As we look forward, the committee will need to grapple with a number of challenges. This list is broad but includes continuing our excellent record on road safety, understanding the impact of electric and possibly autonomous forms of transport, dealing with the increasing number of cars in the Borough and working with our fantastic friends groups to improve our parks and neighbourhoods. All of this will be against a context of continuing and significant reduction to the funding which we will need to respond to in order to keep the Council on a stable financial footing.

Key PDS Achievements 18/19

1 Proactively holding our contractors to account: Recognising the role of the Local Authority as a Commissioning organisation, the PDS started the civic year agreeing stretch targets for the delivery of our key services. A standing item was placed at the start each meeting to review how our services were performing.

Those contractors whose performance slipped below acceptable performance were brought to the committee to explain the reasons and their plan to fix. This proved to be an effective approach in driving the best performance out of our services

2 Developing our future transport strategy: The PDS committee helped develop and agreed our future transport strategy through the production of our Local Implementation Plan (LIP) document. The LIP details the borough's approach to transport, including the council's continued objective to improve road safety and reduce road danger, and includes its investment priorities for both the next three years as well as in the longer term to 2041 at a more strategic level. This LIP set out an ambitious vision and aspirations to bring about improvements locally, not just in how we travel but in the impacts this travel can have. The strategy proposes ambitious strategies to improve road safety, to improve the conditions for pedestrians and cyclists as well as looking to reduce congestion on our roads, which has benefits for everyone.



The public response was very positive and we've already made progress in its implementation through our successful multi-million pound Liveable Neighbourhoods bid in the Shortlands and Ravensbourne area and through the introduction of a number of schemes to encourage active forms of travel.

3 Securing new park, waste, recycling and street cleaning partners: One of the most significant decisions of the Council this year was to agree providers for our critical environment services for up to the next 16 years. The Committee played an important role with a significant amount of scrutiny of both who our new supplier is and the service we want to deliver.

We successfully agreed suppliers across four parts of the service (waste collection, waste disposal, street cleansing and parks) ensuring that we continue to deliver a high quality and value for money service with minimal disruption as the existing contract comes to an end.

Cllr Will Harmer

Chairman, Environment and Community Services PDS Committee

DRAFT

8. Report from Public Protection and Enforcement PDS Committee

Chairman: Cllr David Cartwright QFSM

Vice-Chairman: Cllr. Christopher Pierce

The Public Protection & Enforcement Policy Development and Scrutiny Committee (PP&E PDS) will have met six times during the 2018-19 Council year. (The final meeting of the year is scheduled for Thursday 28 March 2019).

This year marked the addition of the “Enforcement” reference to the Public Protection and Safety Portfolio. A significant amount of early work needed to be undertaken to identify the limits and extent of the responsibilities of the new PP&E PDS to ensure the assimilation of Enforcement went smoothly and that any overlap with other portfolios was clearly identified. A small, cross-party “task and finish” group met early in the Council year and identified the following areas of Enforcement activity which would now fall under the PP&E PDS sphere of responsibility:

- Planning Enforcement
- Parking Enforcement
- Neighbourhood Management/Environment Enforcement
- Public Protection and Safety Enforcement

The task and finish group completed its work in time for the September meeting of the PP&E PDS and its recommendations were agreed. Formal reports were then scheduled to be taken at the remaining PP&E PDS meetings to enable full and proper scrutiny to take place.

Portfolio Priorities and PDS Reports

At the first PP&E PDS meeting held on 3 July 2018, the Public Protection & Enforcement Portfolio Holder, Cllr Kate Lymer, outlined her Draft Portfolio Plan priorities for 2018-19. These fall under the following headings:

- **Safe:** Tackling antisocial behaviour and criminal activity (such as doorstep crime), securing health and safety in the workplace and coordinating the Council’s response to the PREVENT programme.
- **Quality Environment:** Through tackling nuisance behaviour, by implementing fly-tipping and littering controls, as well as taking intelligence-led environmental and planning enforcement.
- **Children and Young People:** Tackling the unlawful sale of age-related products, particularly alcohol, tobacco and knives, through test purchase operations.
- **Housing:** Assisting in the provision of safe and secure housing in the private rented sector.
- **Involved:** working closely with our partners and the community to develop and deliver our services.

- **Prosperous and Thriving:** through responsible regulation and enforcement to ensure a fair and safe trading environment for residents, businesses and visitors.
- **Quality Public Services:** Delivering quality Public Protection and Enforcement services with significantly less funding, maintaining a focus on budgetary control contract performance, monitoring and management, and commissioning opportunities.
- **Support and Regulate Businesses:** Monitor Food Safety, Health & Safety and Licensing through inspections, investigations and targeted operations.

The PP&E PDS agreed that the Portfolio Plan be adopted with these outcomes as the policy priorities for the year.

In line with agreed policy priorities, by the end of the year Members will have received detailed written and / or verbal reports on:

- Planning enforcement
- Parking enforcement
- Public Protection and Safety enforcement
- Neighbourhood Management & Environment enforcement
- The Knife and Serious Violence Action Plan
- The Food Standards Agency Audit of Food Hygiene Service Delivery
- The Food Safety Service Plan 2018 to 2019
- The Trading Standards Service Plan
- Animal Welfare Licensing
- The CCTV Procurement Strategy
- The review of the Mortuary Service Contract
- Emergency Planning and Business Continuity Service Update Reports
- The Mayor's Office for Police and Crime (MOPAC) Updates
- The Asset Recovery Incentivisation Scheme (ARIS)
- Issues surrounding Travellers in the Borough.
- Blue Badge abuse.
- Fly tipping.

Police Scrutiny

With regard to crime, the Mayor of London has identified, as his priorities for the capital, sexual violence, domestic abuse, child sexual exploitation, weapon-based crime and hate crime. The PP&E PDS accepted these priorities and added its own local priorities, burglary, violent crime and antisocial behaviour (ASB), which would include moped crime and drug dealing. These priorities were agreed by MOPAC.

All PP&E PDS meetings included a comprehensive Police Update presented by the Bromley Borough Commander or one of his deputies. Members used the priorities identified above as the basis to scrutinise the work of the Police and to raise questions.

It has been sad to note the increase in crime over the past 12 months, both in Bromley and indeed across London as a whole. The PP&E PDS was particularly concerned to note the rising trend in violent and weapon-based crime, burglary and gang related incidents.

However, with the exception of the northern part of the borough, local figures show that over the last 12 months across Bromley, possession of weapons offences has actually fallen by 10% (against the London trend), and this is despite a big increase in local “Stop and Search” operations, which would normally mean these numbers would rise. Burglary and ASB however appear to be following the London trend and are increasing.

It would appear that the Police currently feel under-resourced, both financially and in terms of establishment. The PP&E PDS continues to register its concerns, particularly in the area of local neighbourhood policing, where Community Advisory Panels (CAP) across the borough feel that police visibility, locally, is a major worry, especially with the perceived rise in burglary and ASB. There is also concern that dedicated Ward officers (DWOs) are frequently not in position in their Wards to undertake their duties. Currently the Committee is pursuing this situation with the Police Borough Commander.

Over the past year, a significant amount of discussion has taken place between Members and the Police in Bromley regarding the new “Tri-Borough” policing arrangement which has, over the last 12 months been rolled-out across London. This has seen the amalgamation of policing across the boroughs of Bromley, Croydon and Sutton. Considerable concern was originally raised at the detrimental effect this could have on policing within the perceived “quieter” boroughs i.e. Bromley and Sutton, when considering the higher rates of crime in Croydon. The PP&E PDS Committee lobbied the Deputy Mayor of London for Policing and Crime to keep Bromley’s dedicated borough response team. We welcomed the decision by the Deputy Mayor to reverse the original plan of having one merged response team across all three boroughs, and that each would retain their individual response teams along with their existing number of response officers. The PP&E PDS will continue to monitor closely this new arrangement over the coming year, to see how it beds in.

Food Safety

A visit by the Food Standards Agency (FSA) in April 2017 found that the existing system of food hygiene inspections was working well, but more trained inspection officers were needed to reduce the backlog of visits to food premises. To this end, a total of two full-time permanent and three full-time temporary food safety officers (up to 18 months) were recruited in 2017. Officers continue to work closely with the FSA in respect of the reducing backlog, but there is a country-wide shortage of trained and qualified Food Safety Inspecting Officers and the recruitment of these officers is proving difficult. The PP&E PDS continues to monitor this situation through regular reports.

Emergency Planning

A new full-time temporary Emergency Planning and Business Continuity Officer has recently been recruited and the PP&E PDS received his very comprehensive report at its January 2019 meeting. This report clearly identified that, following the Grenfell Tower Fire and its aftermath, there is significant work to be carried out in the area of planning for major disasters, to ensure that Bromley Council stands fully and properly prepared.

Contact Compliance and Scrutiny

During the past year, the PP&E PDS closely scrutinised the finalising of the CCTV specification, and tendering process, prior to the award of the contract in February 2019. In addition, the Committee also scrutinised the enforcement work of APCOA, the Council's parking contractor, to ensure the agreed key performance indicators were being fully met and that the Council were achieving the requisite value for money.

Member Visits

During the year, Members were able to visit the refurbished CCTV control room at the Civic Centre as part of their considerations in respect of the contract renewal. Members also have an open invitation to attend Community Impact Days and test purchasing exercises of age-restricted goods as observers.

Safer Neighbourhood Board

Over the year, Members received feedback from the meetings of the Safer Neighbourhood Board (SNB), which scrutinises the Police and helps to identify and set the local Borough priorities with regard to crime. These then feed into and complement the Mayor of London's crime priorities. Both the Portfolio Holder and the Vice Chairman of the PP&E PDS regularly attend the meetings of the SNB and the Chairman and PDS Members also attended the SNB annual Crime Summit held on 29 September 2018.

Bromley Youth Council (BYC)

The BYC has two representatives on the PP&E PDS and their contribution has been most welcome. The Chair of the BYC, Cameron Ward, in particular, has played a full and active role in the scrutiny work of the PDS. He has raised many valuable issues which affect young people in our Borough and has been able to register the views and concerns of those he represents, especially in the area of youth crime, drugs and gangs. He continues to forge closer links with the Police in Bromley.

It is interesting to note that last year's Chair of the BYC, Katie Bacon, has gone on, this year, to form the London Youth Assembly, which now represents youth across all the London Boroughs. Her initiative has resulted in the formation of the LYA Council, which is supported by the Greater London Assembly and which meets in City Hall. The LYA Council comprises representatives of all of London's local Borough Youth Councils and Katie is this year's Chair. The Chairman of the PP&E PDS attended the most recent meeting of the LYA Council at City Hall and witnessed the enthusiastic and extremely able young representatives identify the main issues affecting youth in London and start to formulate strategies to address the problems facing young people across the capital city. This is an initiative which should be supported by all London Boroughs.

I would like to thank all members of the PP&E PDS, for their contribution and support over the past year and I would also like to thank those Council Officers who have worked diligently and hard to ensure the PDS has been able to fulfil its role.

Finally I would like to thank the PP&E Portfolio Holder, Cllr. Lymer, for her support and guidance and also for her hard work and enthusiasm over a very busy year.

Cllr David Cartwright QFSM
Public Protection & Enforcement PDS Chairman
March 2019

DRAFT

9. Report from Renewal, Recreation and Housing PDS Committee

Chairman: Cllr. Michael Rutherford

Vice-Chairman: Cllr. Suraj Sharma

The Committee met five times this municipal year. Each meeting has scrutinised the reports for decision by the Renewal, Recreation and Housing Portfolio Holder and considered policy development for key areas across the portfolio. Alongside the elected Members on the PDS Committee, we were also pleased to welcome a co-opted member from the Bromley Youth Council, Mr. Sheldon Thomas. Through this past year, the RR&H PDS Committee has scrutinised a range of proposals and performance metrics and added further scrutiny to the planning service.

The Committee have monitored performance against the Renewal, Recreation and Housing strategic outcomes for the municipal year. In its June 2018 meeting considered the housing part of the portfolio plan to be insufficiently detailed, and targets insufficiently ambitious and sent it back for revision. It was therefore pleased to support an updated plan and key performance indicators at the September 2018 meeting.

Topics the PDS Committee have focused on include:

Town Centres

Bromley: The RR&H PDS Committee remained supportive of improvements to the public realm in Bromley to encourage footfall and the vibrancy of our town centre. However it scrutinised proposals to ensure value for money. As part of this, it rejected a recommendation to build canopies at the current cost, which it was pleased the portfolio holder upheld. It also recommended that excess profit from new commercial units was used to support the maintenance and enhanced cleaning of the pedestrianised High Street, a recommendation that was also upheld.

Beckenham: The Committee was grateful for the successful completion of the work of its sub-committee, the Beckenham Town Centre Working Group. Throughout the duration of the Beckenham High Street improvements, it has successfully engaged businesses and residents in the process. The works have been completed successfully.

Orpington: Scrutiny was given to an opportunity paper on how various sites in Orpington could increase housing stock and improve the town centre. The committee supported the proposals but expressed concern about the lack of pace. It also asked that a working party was set up for the Framework Plan, including representatives of Orpington 1st BID, Orpington College and traders. The recommendation was approved.

Penge: The committee remained supportive of the council's improvements to Penge town centre, including to the High Street and shopfronts.

Housing

Affordable housing: The Committee scrutinised a number of schemes to increase the supply of affordable housing in the borough including More Homes Bromley and the use of Section 106 funds through housing associations. It successfully requested that the Portfolio Holder

take responsibility for achieving more affordable housing by being a member of the Housing Transformation Board.

Temporary housing: The Committee also analysed performance and proposals for temporary accommodation and was concerned about the decrease in available housing with demand increasing. It requested further involvement in scrutinising such schemes and ensuring performance levels of all schemes were high.

Leisure and Culture

Leisure: The Committee is supportive of the council's work to reduce the costs of services without impacting quality. It was therefore pleased with the value for money provided by the new leisure contract which saves council taxpayers' money without affecting service quality.

Libraries: The Committee is also supportive of improving services at the borough's libraries. It was therefore pleased that the new Penge library was delivered under budget and is providing a popular service. It has also supported the proposed West Wickham Leisure Centre and Library, which will also deliver new homes.

Planning

The performance of the planning service was assessed, with a particular focus on the performance of planning enforcement. The committee also scrutinised planning appeals, considering those appeals received and decided and the costs incurred by the council. As a result of ongoing concerns about planning enforcement, it called additional scrutiny at the committee and was pleased that surgeries had been set up to highlight problematic cases.

Scrutiny was applied to the Building Control service and options for its future. It was supportive of plans to undertake a full review of the service in order to achieve an improved service. However it considered it too soon to agree a shared service approach and that commissioning should be considered as part of that review.

The Committee has been tenacious in ensuring that the council takes a proactive approach to private sector buildings with flammable cladding. It has successfully lobbied for officers to speak to ministers to clarify the legal position and take appropriate steps to make the surrounding area of one building more safe.

Scrutiny of the Portfolio Holder

The Committee scrutinised the portfolio budget, requesting that officers and the portfolio holder explained areas where spending was increasing. Particular attention was given to ensure that where third parties run council services, the quality remains unchanged or better and that cost reduces throughout the contract.

The Committee also analysed the contract register twice throughout the year, challenging on specific contracts to ensure that contracts avoid being managed effectively and there is suitable foresight of where new contracts are required.

Presentations

The Committee is grateful to Crystal Palace Community Trust and Countryside for visiting and presenting to it.

Proposals for the forthcoming year

The Committee considers the Transformation Programme to be a great opportunity to cut the costs of homelessness and temporary accommodation while providing our residents with better and more certain housing. It encourages the council to take more steps to increase the affordable housing stock. In particular it encourages further use of Section 106 payments to build affordable homes with housing associations, as outlined at its November 2018 meeting.

Thanks

I would like to thank all the members of the Committee for their diligence and hard work throughout the year. A lot of work has been carried out, which has covered a very broad range of subjects. I would also like to thank the officers in the RR&H department and Mrs. Lisa Thornley for their tireless work at the committee meetings and the ongoing day to day running of the department.

Councillor Michael Rutherford
Chairman, Renewal, Recreation and Housing PDS Committee

APPOINTMENTS TO OUTSIDE BODIES 2018/19

Outside Body	Representatives
Adult's Safeguarding Board	Cllr Colin Smith & Cllr Diane Smith
Age UK London	Cllr Mary Cooke
Beckenham Parochial Charities	Mr A J Duncan, Mr G Scales & Mrs Kathryn Strachan, Cllr Russell Mellor, Mrs Peggy Duffin & Mr Robert Mitchell
Biggin Hill Airport Consultative Committee	Council as freeholder: Cllr Peter Morgan (Reserve: Cllr Christopher Marlow) Biggin Hill Ward: Cllr Melanie Stevens (reserve: Cllr Julian Benington) Darwin Ward: Cllr Richard Scoates (reserve: Cllr Simon Fawthrop)
Bromley "Y" Project	Cllrs Judi Ellis and Peter Fortune
Bromley Arts Council	Cllrs Gareth Allatt, Mike Botting, Robert Mcilveen & Alexa Michael
Bromley Duke of Edinburgh's Award Support Committee	Cllr Peter Fortune (1 vacancy)
Bromley Economic Partnership	Cllr Peter Morgan
Bromley Mentoring Initiative Steering Group	Cllr David Cartwright & Cllr Kate Lymer
Bromley Town Twinning Association	Cllrs Kathy Bance, Mary Cooke & Suraj Sharma
Bromley Youth Music Trust Board of Directors	Cllr Robert Mcilveen
Children's Safeguarding Board	Cllr Colin Smith & Cllr Peter Fortune
Clarion Housing Group South London Regional Scrutiny Committee	Cllr Chris Pierce
Community Links Bromley	Cllr Peter Fortune & Cllr Nicky Dykes
Cray Valley Library and War Memorial Institute	Cllrs Peter Fortune, Yvonne Bear & Harry Stranger (one vacancy)
Crystal Palace Community Development Trust	Cllr Marina Ahmad
Diocese of Rochester Board of Education	Cllr Robert Evans
Early Years Development and Childcare Partnership	Cllr Peter Fortune
Hayes (Kent) Trust	Mrs Alison Naish & Mrs C Truelove
Keston Village Hall Trust	Mr M Baker, Mrs Pam Broughton & Mrs Maureen Marshall
London Road Safety Council	Cllr Will Harmer
London Councils Children and Young People lead member	Cllr Peter Fortune
London Councils Crime and Public Protection lead member	Cllr Kate Lymer

London Councils Culture, Tourism & Sport lead member	Cllr Peter Morgan
London Councils Economic Development/Regeneration lead member	Cllr Peter Morgan
London Councils Grants Committee	Cllr Colin Smith (Reserves Cllrs Diane Smith, Peter Fortune, Kate Lymer & William Huntington-Thresher)
London Councils Greater London Employment Forum	Cllr Pauline Tunnicliffe (reserve: Cllr Michael Turner)
London Councils Health and Adult Services lead member	Cllr Diane Smith
London Councils Housing lead member	Cllr Peter Morgan
London Councils Leaders' Committee	Cllr Colin Smith (Reserves: Cllrs Peter Fortune & Kate Lymer)
London Councils Transport and Environment Committee	Cllr William Huntington-Thresher (Reserves: Cllrs Kira Gabbert, Will Harmer, David Jefferys & Kieran Terry)
London Youth Games	Cllr Graham Arthur
Management Committee of Wood Lodge Living Skills Centre	Cllr Kira Gabbert
Mytime Active Board	Cllrs Aisha Cuthbert & Robert Evans
Nash College	Cllr Stephen Wells
Newable Ltd (formerly GLE - Greater London Enterprise)	Cllr Peter Morgan
Oxleas NHS Trust: Foundation Trust Council of Governors	Cllr Yvonne Bear
Petts Wood and Hawkwood Committee	Cllr Kieran Terry (Deputy: Simon Fawthrop)
Phillips and Lubbock Foundations	Cllr Julian Benington, Mr J C Bowers, Mrs B A Powell & Mrs J Woodhead
Proactive Bromley	Cllrs Peter Fortune & Michael Rutherford
Reserve Forces and Cadets Association for Greater London	Cllr Peter Fortune
Safer Bromley Partnership	Cllr Kate Lymer
Safer Neighbourhood Board	Cllrs Kathy Bance, David Cartwright & Chris Pierce
Southern Regional Flood Defence Committee	Cllr Alan Downing (LB Bexley)
St Olave's and St Saviour's Grammar School Foundation	Cllrs Robert Evans & Stephen Wells
Thames Regional Flood Defence Committee	(LB Lewisham)
Thomas Stringer Charity, Cudham	Cllrs Richard Scoates & Melanie Stevens
University of Kent	Cllr Peter Fortune

Council Meeting Numbers - 2017/18 and 2018/19

Meeting Name	Number of Meetings in 2017/18	Number of meetings in 2018/19
Council, Committees & Sub-Committees		
Council	10	8
General Purposes & Licensing	6	8
Appeals Sub-Committee	3	6
Audit Sub-Committee	3	3
Licensing Sub-Committee	10	7
Local Joint Consultative Committee	3	2
Pensions Investment Sub-Committee	5	6
Development Control Committee	6	7
Plans Sub-Committees (x4)	24	25
Appointment Panel	1	1
Standards Committee	2	1
PDS Committees and Sub-Committees		
Adult Care & Health PDS Committee	7	6
Education, Children & Families Select Committee	4	6
Environment & Community PDS Committee	6	6
Executive, Resources & Contracts PDS Committee	10	10
Public Protection & Enforcement PDS Committee	5	5
Renewal, Recreation & Housing PDS Committee	4	6
EC&F Budget & PM Sub-Committee	4	4
Health Scrutiny Sub-Committee	3	5
Contracts Sub-Committee	5	6
OHSEL Joint Scrutiny Committee	3	2

Executive meetings		
Executive	16	10
Portfolio Holder Meetings	1	1
Other Meetings		
Health & Wellbeing Board	4	5
SACRE	3	3
Bromley Economic Partnership	4	4
Safer Bromley Partnership	4	4
Foster Panel	12	0
Fostering & Adoption Panel	17	24
Chief Executive Remuneration Panel	0	1
Crystal Palace Park Executive Project Board	1	0
Honorary Aldermen WG	1	0
Executive Working Groups		
Constitution Improvement WG	1	1
Local Development Framework Advisory Panel	1	0
Children's Services Governance WG	11	7
PDS Working Groups		
Beckenham Town Centre WG	5	5
School Places WG	1	1
TOTAL	206	194

Councillor Attendance 2017/18

	Present <i>(Figures in brackets are for attendance as a substitute)</i>	Absent <i>(Figures in brackets are for apologies received)</i>	Percentage meetings attended <i>(excludes as a visiting Member)</i>	Present as Visiting Member	Total meetings attended
Cllr Vanessa Allen	32 (2)	4 (4)	89	3	35
Cllr Graham Arthur	26 (1)	1 (1)	96	13	39
Cllr Douglas Auld ***	16	11	59	1	16
Cllr Kathy Bance *	8	0	100	0	8
Cllr Julian Benington	18	1 (1)	95	3	21
Cllr Nicholas Bennett	50 (1)	8 (8)	85	13	63
Cllr Ruth Bennett	19 (1)	5 (4)	79	0	19
Cllr Eric Bosshard	18	2 (2)	90	1	19
Cllr Kim Botting	21	5 (5)	81	0	21
Cllr Katy Boughey	22	5 (4)	81	0	22
Cllr Kevin Brooks*	27	11 (6)	71	1	28
Cllr Lydia Buttinger	25 (1)	4 (4)	86	0	25
Cllr Stephen Carr	27	4 (3)	87	3	30
Cllr David Cartwright	16	6 (6)	73	0	16
Cllr Alan Collins	28	17 (4)	62	0	28
Cllr Mary Cooke	49 (1)	9 (9)	84	3	52
Cllr Peter Dean	14	8 (5)	64	1	15
Cllr Ian Dunn	44 (6)	5 (5)	90	6	50
Cllr Nicky Dykes**	27	11 (10)	71	0	27
Cllr Judi Ellis	34	5 (5)	85	0	34
Cllr Robert Evans	49	3 (3)	94	2	51
Cllr Simon Fawthrop	57 (6)	1 (1)	98	11	68
Cllr Peter Fookes	6	2 (2)	75	4	10
Cllr Peter Fortune	30	6 (6)	83	7	37
Cllr Hannah Gray	18	3 (2)	86	7	25
Cllr Ellie Harmer	22 (3)	7 (4)	76	2	24
Cllr Will Harmer**	13	9 (7)	59	1	14
Cllr S H-Thresher	27 (1)	2 (2)	93	0	27
Cllr W H-Thresher	37	4 (4)	90	12	49
Cllr David Jefferys	15	11 (11)	58	0	15
Cllr Charles Joel	23	5 (5)	82	0	23
Cllr David Livett	45	3 (2)	93	0	45
Cllr Kate Lymer	46	9 (9)	84	6	52
Cllr Russell Mellor	47 (4)	5 (4)	90	3	50
Cllr Alexa Michael	48	0	100	1	49
Cllr Peter Morgan	28	2 (2)	93	6	34
Cllr Terence Nathan***	20	11 (9)	65	0	20
Cllr Keith Onslow	44 (9)	4 (4)	92	6	50

	Present <i>(Figures in brackets are for attendance as substitute)</i>	Absent <i>(Figures in brackets are for apologies received)</i>	Percentage meetings attended	Present as Visiting Member	Total meetings attended
Cllr Tony Owen	45 (2)	6 (6)	88	2	47
Cllr Angela Page	17 (1)	3 (3)	85	9	26
Cllr Ian F. Payne	23 (1)	13 (8)	64	2	25
Cllr Sarah Phillips	20	5 (5)	80	1	21
Cllr Tom Philpott	12	2 (2)	86	7	19
Cllr Chris Pierce	17	2 (2)	89	0	17
Cllr Neil Reddin	41	0	100	0	41
Cllr Catherine Rideout	12 (1)	4 (4)	75	1	13
Cllr Charles Rideout	24	4 (4)	86	1	25
Cllr Michael Rutherford	20 (1)	3 (3)	87	2	22
Cllr Richard Scoates	22	5 (4)	81	2	24
Cllr Colin Smith	33 (2)	1 (1)	97	12	45
Cllr Diane Smith	30	3 (3)	89	12	42
Cllr Melanie Stevens	19	2 (2)	90	2	21
Cllr Tim Stevens	13 (1)	3 (3)	81	3	16
Cllr Teresa Te	25 (1)	2 (2)	93	1	26
Cllr Michael Tickner	21	3 (3)	88	2	23
Cllr Pauline Tunnicliffe	23	6 (4)	79	0	25
Cllr Michael Turner	35	4 (3)	90	1	36
Cllr Stephen Wells	44 (2)	9 (4)	83	4	48
Cllr Angela Wilkins	46 (9)	3 (3)	94	9	55
Cllr Richard Williams***	4	25 (25)	13	0	4

* Mayor/Deputy Mayor for 2017/18

** Maternity/Paternity Leave

*** Unwell for part of the year

Bromley Electorate Forecasting Methodology (Electoral Commission Boundary Review)

The Local Government Boundary Commission seeks electorate forecasts for 2024 at polling district level. A standard forecasting methodology is available for boroughs to apply, whereby the past share of electorate by polling district is used to distribute the forecasted borough level electorate.

The Commission invites councils to present an alternative methodology, provided it is supported by appropriate evidence.

The standard methodology is based on ONS data and uses historic data trends to automate part of the electoral forecasting process. Bromley, along with other London boroughs has therefore elected to apply an alternative methodology, based on the Greater London Authority (GLA) population projections which are widely accepted to better forecast the population of London's boroughs. Furthermore the standard forecasting methodology does not take into account any planned development beyond what might be anticipated to be natural growth, and does not therefore acknowledge the geographical spread of developmental changes proposed through the recently adopted Local Plan (2019).

Bromley Methodology

Baseline dwelling figures by polling district are established using a baseline year of 2015, consistent with the Local Plan housing trajectory baseline and the GLA ward-level population forecast used.

Development Data

Projected housing change for the years 2015-2024 based on the housing trajectory within Bromley's Local Plan (2019) Appendix 10.1 is assigned to relevant polling districts. The housing trajectory sets out development consistent with meeting and exceeding the minimum housing target of 641 dwellings per year as set out in the London Plan (2016). The Bromley Local Plan (2019) sets out various components of future housing supply which are distributed between polling districts as set out in A – D below.

- A. Identified sites of 9 or more units are allocated to the polling districts within which they are located. Where a site is split across more than one polling district and, detailed masterplanning is not yet available, an indicative share of the total housing yield is assigned to each polling district proportionate to the share of total site area occurring in that polling district.
- B. Housing on sites of 9 or more units not currently identified but projected to come forward in the broad locations of Bromley and Orpington Town Centres are assigned to polling districts within which those town centres are located. As these sites are unidentified, the overall broad location housing figure for each town centre is divided up proportionately to the share of town centre

land area contained in each polling district. The polling district 'land area' having first been adjusted to avoid potential 'double dipping' with sites considered under A (above).

- C. Housing of 9 or more units on retail sites and public land not currently identified but projected to come forward are assigned to polling districts where locations most likely to contain these sites. For the purposes of this exercise, this approximation is limited to land within the boundaries of town centres at District level or higher (as recognised in the Local Plan). This includes Bromley (Metropolitan level), Orpington (Major level), Beckenham, Penge, Petts Wood, West Wickham and Crystal Palace (all District level) Town Centres. Similarly 'B', above these sites are unidentified, and therefore, the overall broad location housing figure for each town centre is divided up proportionately to the share of town centre land area contained in each polling district (excluding the land area of 'A' sites).
- D. Various sources of housing of less than 9 units, including completions between the baseline year and the Local Plan adoption date, commenced and projected small sites and the vacant units and prior approvals projections are generally distributed equally across wards and then assigned equally amongst polling districts within those wards, with adjustment to reflect the reduced capacity within Green Belt (Darwin Ward) and greater growth capacity, in around Bromley Metropolitan Town Centre and Orpington Major Town Centre (Bromley Town and Orpington wards)

Forecasting the electorate by Polling District

The figures for existing dwellings and proposed changes in dwellings per polling districts are combined to produce a figure for the total dwellings per polling district for 2024.

An average number of adults per dwelling is calculated for each ward, using the total dwellings per polling district data and the GLA 2024 ward-level population projections for persons 18 years or older (Note : the GLA's 2024 ward-level population projections are mid-year estimates and therefore include individuals ('attainers') who become 18 during 2024). The GLA projections also reflect the housing trajectory information from Bromley's Local Plan.

The ward-level average 'adults per dwelling' calculation is applied to each polling district within that ward, forecasting the voting aged population by polling district for 2024.

Guided by the Local Government Boundary Commission for England, the conversion of voting aged population to electorate utilises the change ratio methodology set out in their 'Polling District Forecasting Tool'. The electorate by ward is compared to the GLA ward-level population projections for years 2016, 2017 and 2018 to produce ward specific 'change ratios' for each years 2016 – 2018. An average change ratio across the three years is produce for each individual ward.

The relevant ward specific average change ratio is applied to the forecast 2024 voting aged population of each polling district to produce an electorate forecast for each polling district.

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