

TO MEMBERS OF THE COUNCIL

Notice is hereby given that a meeting of the Council of the London Borough of Bromley is to be held in the Council Chamber at Bromley Civic Centre on Monday 12 July 2021 at 7.00 pm which meeting the Members of the Council are hereby summoned to attend.

PLEASE NOTE: This meeting will be held in the Council Chamber at the Civic Centre, Stockwell Close, Bromley, BR1 3UH. Members of the public can attend the meeting: you can ask questions submitted in advance (see item 4 on the agenda) or just observe the meeting. There will be limited space for members of the public to attend the meeting – if you wish to attend please contact us, before the day of the meeting if possible, using our web-form:

<https://www.bromley.gov.uk/CouncilMeetingNoticeOfAttendanceForm>

Please be prepared to follow the identified social distancing guidance at the meeting, including wearing a face covering.

Prayers

A G E N D A

- 1 Apologies for absence
- 2 Declarations of Interest
- 3 To confirm the Minutes of the meeting of the Council held on 19th May 2021 (Pages 3 - 18)
- 4 Questions (Pages 19 - 30)

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 on 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 Tuesday 6th July 2021.

- (a) Questions from members of the public for oral reply.
- (b) Questions from members of the public for written reply.
- (c) Questions from members of the Council for oral reply.
- (d) Questions from members of the Council for written reply.

- 5 To consider any statements that may be made by the Leader of the Council, Portfolio Holders or Chairmen of Committees.
- 6 Treasury Management - Annual Report 2020/21 (Pages 31 - 50)
- 7 Provisional Final Accounts 2020/21 (Pages 51 - 120)
- 8 Capital Programme Outturn 2020/21 (Pages 121 - 134)
- 9 York Rise, Orpington (Pages 135 - 158)
- 10 Interim Delegations (Pages 159 - 160)
- 11 To consider Motions of which notice has been given.
- 12 The Mayor's announcements and communications.

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Ao Adetosoye

**Ade Adetosoye OBE
Chief Executive**

**BROMLEY CIVIC CENTRE
BROMLEY BR1 3UH
Friday 2 July 2021
Vol.58 No.2**

LONDON BOROUGH OF BROMLEY

MINUTES

of the proceedings of the annual Meeting of the Council of the Borough
held at 6.30 pm on 19 May 2021 at the Churchill Theatre, Bromley

Present:

The Worshipful the Mayor
Councillor Hannah Gray

The Deputy Mayor
Councillor Stephen Wells

Councillors

Gareth Allatt
Vanessa Allen
Graham Arthur
Yvonne Bear
Julian Benington
Nicholas Bennett MA J.P.
Kim Botting FRSA
Mike Botting
Katy Boughey
Mark Brock
Kevin Brooks
Aisha Cuthbert
Peter Dean
Ian Dunn
Nicky Dykes
Judi Ellis
Simon Fawthrop

Peter Fortune
Kira Gabbert
Will Harmer
Christine Harris
Colin Hitchins
William Huntington-
Thresher
Simon Jeal
David Jefferys
Charles Joel
Josh King
Kate Lymer
Christopher Marlow
Robert Mcilveen
Russell Mellor
Alexa Michael
Peter Morgan

Keith Onslow
Tony Owen
Angela Page
Neil Reddin FCCA
Will Rowlands
Michael Rutherford
Richard Scoates
Colin Smith
Diane Smith
Gary Stevens
Melanie Stevens
Harry Stranger
Kieran Terry
Pauline Tunnicliffe
Michael Turner
Angela Wilkins

The meeting was opened with prayers

In the Chair
The Mayor
Councillor Hannah Gray

262 To elect the Mayor of the Borough

The Mayor reminded the Council that, as they had not met in person for the past year, they had not yet thanked the outgoing mayor and Deputy Mayor for 2019/20.

On a motion from Councillor Tony Owen, which was seconded by Councillor Ian Dunn, it was

RESOLVED that at the conclusion of the year of office of Councillor Nicholas Bennett MA JP as Mayor of the London Borough of Bromley, the Council places on record its appreciation of the able manner in which he has presided at meetings of the Council and the distinction with which he has maintained and discharged the high traditions and responsibilities of that office.

The Council also recognises the committed and dedicated manner in which he has carried out Mayoral duties when representing the Borough, spreading awareness of the history and tradition of the Mayoralty, as well as strengthening our long-standing relationship with Neuwied and Mayoralty outside of the Borough.

Also recorded is his support for the Borough's schools and education, residents' associations, the business community, voluntary community groups, and other organisations.

As the Design and Heritage Champion, Councillor Bennett has promoted and supported all aspects of the historic environment in the borough, ensuring that local plans and strategies capture the contribution that the local historic environment make to the success of the area.

The Council further acknowledges his enthusiastic support and fund raising efforts through his Charity Appeal for Careplus and The Latch Project.

That the Corporate Seal be affixed to an engrossment of this resolution for presentation to Councillor Nicholas Bennett MA JP and a Past Mayor's Badge be presented to him in token of the appreciation hereby expressed.

Thereupon, the Mayor, on behalf of the Council, invested Councillor Nicholas Bennett with a badge and presented him with a copy of this citation in token of the appreciation of his services as Mayor of the Borough.

Councillor Bennett expressed his thanks for the terms of the resolution and the presentation, and for the support accorded to him which had contributed so greatly to his year in office.

RESOLVED that the Council

(1) records its appreciation of the able and courteous services of Councillor Keira Gabbert and Mr Victor Yuzhaninov when, as Deputy Mayor and Deputy Mayor's Consort for 2020/21 they represented the Mayoralty and the Council; and

(2) provide them with an attested copy of this resolution.

Councillor Gabbert expressed her thanks for the terms of the resolution and for the support accorded to her during her year of office as Deputy Mayor.

It was moved by Councillor Michael Turner, seconded by Councillor Julian Benington and

RESOLVED that Councillor Russell Mellor be elected Mayor of the Borough.

Councillor Mellor made and subscribed the Declaration of Acceptance of the Office of Mayor and thereupon adjourned from the chamber in company with the retiring Mayor to receive the insignia of office.

In the chair, Cllr Russell Mellor

On his return to the chamber, the Mayor expressed his thanks for the honour conferred on him.

263 To record the appointment of the Deputy Mayor signified to the Council in writing

The Mayor signified orally and in writing his appointment of Cllr Tony Owen as the Deputy Mayor.

The Deputy Mayor was invested by the Mayor with the insignia of his office and expressed appreciation for the honour of his appointment.

264 The Retiring Mayor and Deputy Mayor

On a motion from Councillor Judi Ellis, which was seconded by Councillor Peter Morgan, it was

RESOLVED that at the conclusion of the year of office of Councillor Hannah Gray as Mayor of the London Borough of Bromley, the Council places on record its appreciation of the able manner in which she has presided at meetings of the Council and the distinction with which she has discharged the high traditions and responsibilities of the office of Mayor.

The Council also recognises the dedication, commitment and unstinting manner in which she has carried out Mayoral duties when representing the Borough, especially during the challenges of the Covid-19 pandemic. During this unprecedented year she has used her expertise in the latest forms of communication. She has continuously shown support for front line staff, the Borough's voluntary groups, business community and schools. She was particularly pleased to host the Mayor of Bromley Awards albeit virtually and be part of the Celebration of Achievement Awards for young people in Care. Cllr Gray steadfastly continued with as many Civic and ceremonial duties as possible often using technology to facilitate these events.

During the Pandemic, as Mayor, Councillor Hannah Gray provided civic leadership through regular video messages on the Council website and instigated the use of a Newsletter and Mayoral social media for further communication. She also awarded Certificates of Thanks to residents, volunteers and organisations within the Borough who continued to serve the public at personal risk to themselves during the Covid-19 Pandemic.

Councillor Gray led the Borough in a poignant service to mark the National Day of Reflection, when 740 candles were lit, each representing a loved one lost due to Covid-19, in the borough. Cllr Gray again led the Borough in paying tribute to HRH Prince Philip The Duke of Edinburgh; remembering his many years of public service and his extraordinary support for Her Majesty the Queen for more than 70 years as husband and consort.

The Council further acknowledges her enthusiastic support and fund raising through her Charity Appeal for Chartwell Cancer Trust and Cystic Fibrosis Supporters.

That the Corporate Seal be affixed to an engrossment of this resolution for presentation to Councillor Hannah Gray and a Past Mayor's Badge be presented to him in token of appreciation hereby expressed.

Thereupon, the Mayor, on behalf of the Council, invested Councillor Hannah Gray with a badge in token of the appreciation of her services as Mayor of the Borough.

Councillor Gray expressed her thanks for the terms of the resolution and the presentation, and for the support accorded to her which had contributed so greatly to her year in office.

RESOLVED that the Council

(1) records its appreciation of the able and courteous services of Councillor Stephen Wells when, as Deputy Mayor for 2020/21 he represented the Mayoralty and the Council; and

(2) provide him with an attested copy of this resolution.

Councillor Wells expressed his thanks for the terms of the resolution and for the support accorded to him during his year of office as Deputy Mayor.

265 Apologies for absence

Apologies for absence were received from Councillors Kathy Bance, David Cartwright, Mary Cooke, Robert Evans, Samaris Huntington-Thresher, Chris Pierce, Suraj Sharma and Michael Tickner.

266 Declarations of Interest

Councillor Simon Fawthrop declared an interest in relation to minute 270 (Scheme of Delegation to Officers) as he had submitted a planning application which could potentially be dealt with under the Scheme.

267 To confirm the Minutes of the meeting of the Council held on 19th April 2021

RESOLVED that the minutes of the Council meeting held on 19th April 2021 be confirmed.

268 To receive an address from the Leader of the Council, if they so elect

The Leader of the Council, Councillor Colin Smith, made a short statement. Reviewing the extraordinary events of the past year, he thanked those who had worked on the frontline, and the 4,600 volunteers who had come forward in the borough to support residents who were shielding. It was important that lessons were learned, particularly about the importance of volunteers and the voluntary sector, and also about real and virtual meetings.

He outlined some of the priorities for the coming year – looking after vulnerable people would continue to be important, including dealing with the issues around loneliness, which Councillor Cuthbert would be leading on. Although the Government had provided funding to support Councils, it was likely that finances would come under pressure and it was important that the Council planned for the worst. It was essential that the local economy should be encouraged and supported, and that more housing should be provided for local people. Another priority was to see a huge proliferation of street trees planted across the borough which would be a symbol of Bromley's intention of becoming London's first carbon neutral borough by 2029.

The Leader concluded by thanking the Chief Executive and his staff for their exceptional work in response to the pandemic.

269 To appoint Committees and their Chairmen and Vice-Chairmen and agree proportionality

A schedule of proposed committee appointments had been circulated. A motion to approve the appointment of Councillors to Committees and the election of Chairmen and Vice-Chairmen as set out in the schedule circulated was moved by Cllr Christine Harris, seconded by Cllr William Huntington-Thresher and **CARRIED**.

After the end of the meeting, Committees met to appoint their Sub-Committees and appoint chairmen and vice-chairmen. The final version of the schedule is attached as Appendix A to these minutes.

270 To Receive the Scheme of Delegation of Executive Functions from the Leader of the Council and to approve the Scheme of Delegation of Non-Executive Functions
Report CSD21058

Councillor Simon Fawthrop raised objections to a number of the delegations proposed in the report. The Mayor advised that these matters should be considered by the General Purposes and Licensing Committee.

A motion to note the Scheme of Executive Delegation and confirm the Scheme of Non-Executive Delegation was moved by Councillor Pauline Tunnicliffe, seconded by Councillor Michael Turner and **CARRIED**, subject to the concerns raised being considered at a future meeting of the General Purposes and Licensing Committee.

271 The Mayor's announcements and communications.

The Mayor informed Members of the following events, which would take place subject to Covid 19 restrictions –

- The Civic Service would be held on Sunday 27th June at St George's Parish Church, High Street, Beckenham.
- An Autumn Ball at the Metropolitan Police Sports Club, The Warren, in Hayes, on Saturday 16th October 2021.

The Mayor announced that his charities would be the Shipwrecked Fishermen and Mariners Royal Benevolent Society and the Beckenham Parochial Charities.

The Mayor thanked the Churchill Theatre for generously allowing the Council to use their building for the annual meeting.

The Meeting ended at 8.52 pm

Mayor

LONDON BOROUGH OF BROMLEY

COMMITTEE APPOINTMENTS 2021/22

**POLICY DEVELOPMENT
AND SCRUTINY COMMITTEES****(i) EXECUTIVE, RESOURCES AND CONTRACTS PDS COMMITTEE**
(To include the Chairmen of other PDS Committees)

	<u>Councillors</u>
1	Christopher Marlow (CH)
2	Kira Gabbert (VC)
3	Yvonne Bear
4	Nicholas Bennett
5	David Cartwright
6	Mary Cooke
7	Nicky Dykes
8	Robert Evans
9	Will Harmer
10	Colin Hitchins
11	Simon Jeal (LAB)
12	Melanie Stevens (IND)
13	Michael Tickner
14	Pauline Tunncliffe
15	Angela Wilkins (LAB)
**	Plus Co-opted Members as appropriate

(ii) ADULT CARE AND HEALTH PDS COMMITTEE

	<u>Councillors</u>
1	Mary Cooke (CH)
2	Gareth Allatt (VC)
3	Kim Botting
4	Kevin Brooks (LAB)
5	Aisha Cuthbert
6	Ian Dunn
7	Judi Ellis
8	Robert Evans
9	David Jefferys
**	Plus Co-opted Members as appropriate

(iii) CHILDREN, EDUCATION & FAMILIES PDS COMMITTEE

	<u>Councillors</u>
1	Nicky Dykes (CH)
2	Judi Ellis (VC)
3	Hannah Gray
4	Christine Harris
5	Simon Jeal (LAB)
6	Robert Mcilveen
7	Neil Reddin
8	Ryan Thomson (LAB)
9	Stephen Wells
**	Plus Co-opted Members as appropriate

(iv) ENVIRONMENT & COMMUNITY SERVICES PDS COMMITTEE

	<u>Councillors</u>
1	Will Harmer (CH)
2	Robert Mcilveen (VC)
3	Ian Dunn (LAB)
4	Simon Fawthrop
5	Samaris Huntington-Thresher
6	Christopher Marlow
7	Melanie Stevens (IND)
8	Harry Stranger
9	Kieran Terry
**	Plus Co-opted Members as appropriate

(v) PUBLIC PROTECTION AND ENFORCEMENT PDS COMMITTEE

	<u>Councillors</u>
1	David Cartwright (CH)
2	Colin Hitchins (VC)
3	Kathy Bance (LAB)
4	Julian Benington (IND)
5	Kim Botting
6	Mike Botting
7	Hannah Gray
8	Alexa Michael
9	Chris Pierce
**	Plus Co-opted Members as appropriate

(vi) RENEWAL, RECREATION AND HOUSING PDS COMMITTEE

	<u>Councillors</u>
1	Yvonne Bear (CH)
2	Gary Stevens (VC)
3	Vanessa Allen (LAB)
4	Julian Benington (IND)
5	Aisha Cuthbert
6	Christine Harris
7	Charles Joel
8	Will Rowlands
9	Richard Scoates
**	Plus Co-opted Members as appropriate

COMMITTEES

GENERAL PURPOSES AND LICENSING COMMITTEE

	<u>Councillors</u>
1	Pauline Tunnicliffe (CH)
2	Michael Turner (VC)
3	Gareth Allatt
4	Nicholas Bennett
5	Mark Brock
6	Robert Evans
7	Kira Gabbert
8	Colin Hitchins
9	Josh King (LAB)
10	Alexa Michael
11	Neil Reddin
12	Melanie Stevens (IND)
13	Harry Stranger
14	Ryan Thomson (LAB)
15	Stephen Wells

DEVELOPMENT CONTROL COMMITTEE

	<u>Councillors</u>
1	Alexa Michael (CH)
2	Yvonne Bear (VC)
3	Vanessa Allen (LAB)
4	Julian Benington (IND)
5	Katy Boughey
6	Peter Dean
7	Simon Fawthrop
8	Christine Harris
9	Colin Hitchins
10	Samaris Huntington-Thresher
11	William Huntington-Thresher
12	Charles Joel
13	Josh King (LAB)
14	Tony Owen
15	Richard Scoates
16	Kieran Terry
17	Michael Turner

PENSIONS COMMITTEE

	<u>Councillors</u>
1	Keith Onslow (CH)
2	Gary Stevens (VC)
3	Simon Fawthrop
4	Kira Gabbert
5	Simon Jeal (LAB)
6	Christopher Marlow
7	Tony Owen

STANDARDS COMMITTEE

	<u>Councillors</u>
1	Vanessa Allen (LAB)
2	Nicholas Bennett
3	Melanie Stevens (IND)
4	Michael Tickner
5	Stephen Wells

URGENCY COMMITTEE

The Mayor	Russell Mellor
Group Leader - Conservative	Colin Smith
Group Leader - Labour	Angela Wilkins
Group Leader - Independent	Melanie Stevens
Chairman of General Purposes & Licensing Committee	Pauline Tunnicliffe
Chairman of Executive, Resources and Contracts PDS	Christopher Marlow
The Relevant Portfolio Holder	-

STANDING ADVISORY COUNCIL FOR RELIGIOUS EDUCATION (SACRE)

	<u>Councillors</u>
1	Kim Botting
2	Mike Botting
3	Kevin Brooks (LAB)
4	Robert Evans
5	David Jefferys
6	Kate Lymer
7	Pauline Tunnicliffe

PANELS

(i) APPOINTMENT PANELS

Appointment Panels to fill vacancies for Chief and Deputy Chief Officer posts should compose 8 Members as follows: the Leader of the Council, a majority Party Member of the Executive, a majority Party PDS Chairman, the Chairman or Vice-Chairman of the General Purposes and Licensing Committee, one Labour Member and up to 3 other Majority Party Members nominated by the Leader of the Council.

(ii) CHIEF OFFICER DISCIPLINARY PANEL

Chief Officer Disciplinary Panels for Chief and Deputy Chief Officer posts should compose 7 Members as follows: the Leader of the Council, a majority Party Member of the Executive, a majority Party PDS Chairman, one Labour Member, and 3 Members from the following 4 choices:

Either the Chairman of the General Purposes and Licensing Committee, the Vice-Chairman of the General Purposes and Licensing Committee, a second Majority Party Member of the Executive or a second Majority Party Member PDS Chairman.

(iii) CHIEF EXECUTIVE ANNUAL REVIEW PANEL

The Chief Executive Remuneration Panel should compose 9 Members as follows: the Leader of the Council, the Deputy Leader of the Council, the Resources, Commissioning and Contracts Portfolio Holder, the Leaders of the Minority Groups (or their nominee) and up to four other Majority Party Members.

SUB-COMMITTEES

(A) DEVELOPMENT CONTROL COMMITTEE

(i) PLANS SUB-COMMITTEE NO. 1

	<u>Councillors</u>
1	Alexa Michael (CH)
2	Christine Harris (VC)
3	Kathy Bance (LAB)
4	Katy Boughey
5	Kira Gabbert
6	Samaris Huntington-Thresher
7	Charles Joel
8	Tony Owen
9	Suraj Sharma

(ii) PLANS SUB-COMMITTEE NO. 2

	<u>Councillors</u>
1	Kieran Terry (CH)
2	Michael Turner (VC)
3	Mark Brock
4	Peter Dean
5	Nicky Dykes
6	Colin Hitchins
7	Will Rowlands
8	Richard Scoates
9	Ryan Thomson (LAB)

(iii) PLANS SUB-COMMITTEE NO. 3

	<u>Councillors</u>
1	Katy Boughey (CH)
2	Tony Owen (VC)
3	Kevin Brooks (LAB)
4	Christine Harris
5	Samaris Huntington-Thresher
6	William Huntington-Thresher
7	Charles Joel
8	Alexa Michael
9	Keith Onslow

(iv) PLANS SUB-COMMITTEE NO. 4

	<u>Councillors</u>
1	Richard Scoates (CH)
2	Colin Hitchins (VC)
3	Gareth Allatt
4	Aisha Cuthbert
5	Ian Dunn (LAB)
6	Kate Lymer
7	Neil Reddin
8	Kieran Terry
9	Michael Turner

(B) GENERAL PURPOSES AND LICENSING COMMITTEE APPOINTMENTS

(i) AUDIT SUB-COMMITTEE

	<u>Councillors</u>
1	Neil Reddin (CH)
2	Robert Evans (VC)
3	Gareth Alatt
4	Simon Fawthrop
5	Tony Owen
6	Stephen Wells
7	Angela Wilkins (LAB)

(ii) INDUSTRIAL RELATIONS SUB-COMMITTEE (to include Leader, Deputy Leader, Chairman and Vice-Chairman of the General Purposes and Licensing Committee.)

	<u>Councillors</u>
1	Colin Smith (CH)
2	Kate Lymer (VC)
3	David Cartwright
4	Josh King (LAB)
5	Christopher Marlow
6	Pauline Tunncliffe
7	Michael Turner

(iii) LOCAL JOINT CONSULTATIVE COMMITTEE (to include Leader or named Deputy, Chairman of Executive, Resources and Contracts Policy Development and Scrutiny Committee or named Deputy and Chairman of the General Purposes and Licensing Committee or named Deputy)

	<u>Councillors</u>
1	Simon Fawthrop (CH)
2	Nicholas Bennett
3	David Cartwright
4	Josh King (LAB)
5	Christopher Marlow
6	Michael Rutherford
7	Colin Smith
8	Pauline Tunncliffe
9	Michael Turner

(iv) RIGHTS OF WAY SUB-COMMITTEE

	<u>Councillors</u>
1	Vanessa Allen
2	Mike Botting
3	Simon Fawthrop
4	Richard Scoates
5	Harry Stranger
6	Kieran Terry
7	Michael Tickner

(v) APPEALS SUB-COMMITTEE

Three Members be drawn as required, to constitute an Appeals Sub-Committee (excluding members of the Executive.)

(vi) LICENSING SUB-COMMITTEE

Three Members be drawn as required, to constitute a Licensing Sub-Committee – must be members of the General Purposes and Licensing Committee.

(C) ADULT CARE AND HEALTH PDS COMMITTEE - APPOINTMENTS

(i) HEALTH SCRUTINY SUB-COMMITTEE

	<u>Councillors</u>
1	Mary Cooke (CH)
2	Gareth Allatt (VC)
3	Kim Botting
4	Aisha Cuthbert
5	Ian Dunn (LAB)
6	Judi Ellis
7	Robert Evans
8	David Jefferys
9	-

Plus Co-opted Members as appropriate, and as appointed to the Adult Care and Health PDS Committee.

(D) CHILDREN, EDUCATION AND FAMILIES PDS COMMITTEE - APPOINTMENTS

(i) CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

	<u>Councillors</u>
1	Judi Ellis (CH)
2	Nicky Dykes
3	Hannah Gray
4	Christine Harris
5	Simon Jeal
6	-

Plus Co-opted Members as appropriate, and as appointed to the Children, Education and Families PDS Committee

Council

12th July 2021

Questions from Members of the Public for Oral Reply

1. From Jasper Bell to the Portfolio Holder for Environment and Community Services

A number of pedestrian crossings near schools have been installed recently in the borough, for example near Newstead Wood and Tubbenden Primary, Bishop Challoner and Valley School. Could the Council please confirm the rationale for pedestrian crossings approved in the borough last year and the exact KSI levels they hit in order to gain approval?

2. From Jasper Bell to the Portfolio Holder for Environment and Community Services

How does South Eden Park Road currently “score” from a KSI perspective versus previous years and what thresholds would need to be met in terms of accident levels and severity for road safety improvements to be funded?

3. From Irene Bell to the Portfolio Holder for Environment and Community Services

We have reason to believe the casualty reduction budget in the borough has recently decreased despite rises in council tax and obvious risks on local roads. Could the Council confirm whether this is the case and whether this reduction was in line with wider budget reductions and if so in which areas?

4. From Irene Bell the Portfolio Holder for Environment and Community Services

I believe the absence of safe walkways and crossings on South Eden Park Road could be resulting in 'severance' issues and discouraging people from walking in favour of using cars, an issue that could worsen as the new developments adjacent to the road are occupied. Has the Council undertaken any modelling relating to this issue and have 'walking scheme' budgets or funding models similar to those utilised for the 2019 'Hayes Village Scheme' been considered?

5. From Alisa Igoe to the Portfolio Holder for Resources, Commissioning and Contract Management

The Government's Covid Winter Grant Scheme

Table 2 of the following Management Information Returns show the total amount provided to vulnerable households and the administration costs, from Bromley's allocation:

14 February (period 1 December to 31 January)

5 May (period 1 December to 16 April)

Could you kindly provide me with copies of both?

6. From Alisa Igoe to the Portfolio Holder for Resources, Commissioning and Contract Management

The Council website states the Covid Essential Fund (CEF) is a government initiative, specifically to support households suffering financial hardship as a direct result of the pandemic. There appears to have been no Bromley press release mentioning CEF which started on 17 April and ended 20 June. Why is this and on which date did the Council inform agencies of the opening of the CEF?

Council**12th July 2021****Questions from members of the Public for Written Reply****1. From Anthony McPartlan to the Portfolio Holder for Environment and Community Services**

Residents have previously been informed that pedestrian road crossings are only considered when people have been either killed or seriously injured in that particular location. This is despite several petitions attracting hundreds of signatures from concerned parents about their family's safety. Can the Council confirm what it takes to get road safety measures implemented in high risk areas before people get hurt?

2. From Anthony McPartlan to the Portfolio Holder for Environment and Community Services

Government data* shows there is no sign of pedestrian and cyclist casualties decreasing in Bromley. Does the Council have a 'Vision Zero' strategy for road safety like Kent County Council and others? If not, why not?

<https://www.gov.uk/government/statistical-data-sets/ras30-reported-casualties-in-road-accidents#casualties-by-type-of-casualty>

3. From John Eveson and Jackie Brewer, Sevenoaks Way Area Neighbourhood Watches, to the Portfolio Holder for Environment and Community Services

What considerations have LBB traffic officers given to effects on Sevenoaks Way traffic (i.e. volumes, emergency services, safety, pollution) due to pending Lidl, Aldi and SGN developments (and increased volumes due to Nugent, McDonalds and Starbucks) - how do they plan to mitigate such effects as video evidence already indicates extensive congestion.

4. From Stuart Benefield to the Portfolio Holder for Environment and Community Services

The Council promised to respond formally to the consultation about Green Spaces in June 2021. When can we expect this report?

5. From Stuart Benefield to the Portfolio Holder for Environment and Community Services

As the Council's recycling rate has dropped to 47% for the year 2020-21 can the borough still claim to be the "second highest in London" as claimed in a leaflet from Conservative Councillors published in June 2021?

6. From Suraj Gandecha to the Portfolio Holder for Environment and Community Services

Does the Council monitor the number of private electric car owners there are in the borough? What is the current number and what increase is forecast? What is the current number of electric charging points across the borough and how many are planned?

7. From Suraj Gandecha to the Portfolio Holder for Environment and Community Services

Has Bromley Council any plans to replace the existing bus shelter for northbound routes 61, 261, 208, 358 etc. at Bromley South Station with an adequate provision for the travelling public and something which properly reflects the importance of this interchange?

8. From Julie Ireland to the Portfolio Holder for Renewal, Recreation and Housing

What is the current status of the development of the Churchill Quarter (Site G) - the joint venture between Countryside Properties and the London Borough of Bromley. Have the residents in Ethelbert Close - under planning blight for nearly 20 years - been kept informed?

9. From Julie Ireland to the Portfolio Holder for Renewal, Recreation and Housing

The Council is offering grants of £2,000 to one-off home based businesses offered on a "first come first served" basis. How much in total is available in this fund and is this a fair way to allocate the money when the fund has not been well publicised?

10. From Rick Das to the Portfolio Holder for Environment and Community Services

Given research showing the popularity of School Streets amongst parents and local residents, is the Council considering any new school streets in the borough and if so where? Will the Council also be renewing existing School Streets given they are created with a validity of up to 18 months?

11. From Rick Das to the Portfolio Holder for Renewal, Recreation and Housing

The Langley Park development was initially rejected by the Council over traffic concerns, then approved following ambitious active journey targets. As there have been no known attempts to address the already serious issues endangering pedestrians along South Eden Park Road, will the Council now revisit this decision?

12. From Chloe-Jane Ross to the Portfolio Holder for Environment and Community Services

In Feb/Mar 2021 the Council undertook a consultation on the future of the Albemarle Cycle Scheme. Did the Council send out any consultation letters to households directly, and if so how many letters were sent out and on what roads?

13. From Chloe-Jane Ross to the Portfolio Holder for Environment and Community Services

Are the Council aware of any problems experienced by the emergency services following the introduction of the Albemarle Road scheme and if not have they sought this information recently?

14. From David Marshall to the Portfolio Holder for Environment and Community Services

In a recent leaflet, Conservative councillors have claimed that air quality is safe at all schools in the borough. Does Bromley Council agree with this claim given:

- a) the minimal monitoring that exists
- b) WHO believes there is no "safe" level of particulate matter pollution
- c) Bromley Council's own latest data shows NO2 levels on Anerley Hill exceed WHO annual limit and less than 1 km away, on the same road, is Crystal Early Years Centre and James Dixon Primary School.

15. From David Marshall to the Portfolio Holder for Environment and Community Services

The Council recently reported that some proposed school streets are not going to proceed. Which schemes are going ahead, which are not, and what are the reasons for abandoning the schemes?

16. From Sam Webber to the Portfolio Holder for Environment and Community Services

Traffic queuing to enter the Waldo Road recycling centre (tip) continues to be a problem at peak times. What measures are the Council taking to alleviate this problem?

17. From Gail Hilder to the Portfolio Holder for Environment and Community Services

The Council are now changing the one way system introduced on Albemarle Road. What road use data, if any, persuaded the Council to make this change?

18. From Gail Hilder to the Portfolio Holder for Environment and Community Services

What lessons can be learned from the Albemarle Road scheme?

19. From Stephen Wells to the Portfolio Holder for Environment and Community Services

Will the Council report back on any projects in the Transport Local Implementation Plan for 2019-2022 that have been successfully delivered? What is their definition of success in each instance?

20. From Stephen Wells to the Portfolio Holder for Environment and Community Services

The Local Implementation Plan for Transport in Bromley runs from 2019-2022. Given the considerable changes to transport needs brought about by the pandemic, the government's overarching plans to reduce carbon levels in the UK and the increase in people working from home, do the Council have plans to start a full consultation with the public about people's transport needs?

21. From Graeme Casey to the Portfolio Holder for Environment and Community Services

In a recent leaflet, the Conservative councillors claim that Bromley "is the London borough with the cleanest air" - how can they prove that with only one working live air quality monitor?

24. From Graeme Casey to the Portfolio Holder for Environment and Community Services

The Council have recently installed a new pedestrian crossing near to Newstead Woods School - what was the KSI figure for the road before the crossing was installed?

Council**12th July 2021****Questions from Members of the Council for Oral Reply****1. From Cllr Angela Wilkins to the Leader of the Council**

You have stated more than once that “Yes, there are needs in this Borough, but they are all met by this Council.” Do you stand by that statement?

2. From Cllr Kathy Bance MBE to the Portfolio Holder for Adult Care & Health

Can you give an update on the services offered from the Kentwood Centre for Adults with Learning Difficulties?

3. From Cllr Ian Dunn to the Portfolio Holder for Adult Care & Health

What staffing shortages have been experienced in your Portfolio since the beginning of 2021? Please include both directly employed staff and contractors.

4. From Cllr Ryan Thomson to the Portfolio Holder for Environment and Community Services

Please explain the rationale for the selection of sites for air quality monitoring and the removal of equipment from others across the borough?

5. From Cllr Josh King to the Portfolio Holder for Environment and Community Services

What actions did the Council take to mark Clean Air Day on 17th June?

6. From Cllr Kevin Brooks to the Portfolio Holder for Adult Care & Health

Will the Portfolio Holder please give an update on the current effectiveness of Respite Services in Bromley?

7. From Cllr Vanessa Allen to the Portfolio Holder for Renewal, Recreation & Housing

Where in this Council’s Constitution and other procedures does it say that a councillor can call in a planning application to a specific planning committee?

8. From Cllr Nicholas Bennett MA JP to the Portfolio Holder for Renewal, Recreation and Housing

What is the estimated cost of the repairs to the West Wickham Leisure Centre and what is the latest estimate for the replacement of the Centre by a new facility?

9. From Cllr Simon Jeal to the Portfolio Holder for Children, Education and Families

What definition does the Council use to define poverty and based upon this definition, how many children are growing up in poverty within the borough of Bromley?

10. From Cllr Angela Wilkins to the Leader of the Council

When did the Council last receive value for money certificates from our external auditors?

11. From Cllr Kathy Bance MBE to the Portfolio Holder for Resources, Commissioning and Contract Management

How much is it costing to have a man sleeping in a van in the car park so that if there is a power cut, he can turn the generators on?

12. From Cllr Ian Dunn to the Leader of the Council

Building a Better Bromley was not on the agenda for the June Executive Meeting, in spite it being on the Forward Plan for decision at this meeting. When will this document come to Members for decision?

13. From Cllr Josh King to the Leader of the Council

Is it acceptable for Members of this Council, particularly Members of the Executive, to use private e-mails for Council Business?

14. From Cllr Nicholas Bennett MA JP to the Portfolio Holder for Environment and Community Services

If he will list the locations where -

- i. the Council
- ii. TfL

have narrowed the roadway to create 'safe spaces' for pedestrians and if he will indicate which ones will be removed once the current Covid-19 restrictions are lifted on July 19th.

15. From Cllr Simon Jeal to the Portfolio Holder for Children, Education and Families

How does the department plan to make use of the recently issued Youth Endowment Fund toolkit?

Council**12th July 2021****Questions from Members of the Council for Written Reply****1. From Cllr Angela Wilkins to the Portfolio Holder for Children, Education & Families**

Please provide details of Holiday Activity & Food grant income and expenditure to date. Please also provide the criteria used for determination of these Holiday Activity & Family grant awards.

2. From Cllr Angela Wilkins to the Portfolio Holder for Public Protection and Enforcement

Please provide a breakdown of the duties of the Council's Ward Security operation, including their responsibilities, powers and duties, the hours worked and how their time is allocated across the Borough.

3. From Cllr Ian Dunn to the Portfolio Holder for Resources, Commissioning & Contract Management

Please provide a table showing the total value of the Council's Earmarked Reserves at the 31 March in each of the years 2015 to 2021.

4. From Cllr Ian Dunn to the Portfolio Holder for Resources, Commissioning & Contract Management

What checks are made on contractors (during the contract term) in relation to health & safety compliance and whether employees terms and conditions of employment are being upheld?

5. From Cllr Vanessa Allen to the Portfolio Holder for Renewal, Recreation & Housing

Please provide the following information in relation to planning applications called in for decision at committee since the beginning of 2021:-

- Ward
- Application reference number
- Officer's Recommendation
- Committee Decision
- Name of Councillor activating call in.

6. From Cllr Simon Jeal to the Portfolio Holder for Children, Education & Families

Please provide the number of new referrals to Children's Services from 2018 to present, broken down by ward. Please provide the number of child safeguarding referrals for the same period, also broken down by ward.

7. From Cllr Simon Jeal to the Portfolio Holder for Children, Education & Families

Have LBB completed and returned the National Youth Sector Census? If so, please share a copy with members, and if not, please explain why not.

8. From Cllr Nicholas Bennett MA JP to the Portfolio Holder for Renewal, Recreation and Housing

If he give the following information on families currently in temporary accommodation following application as homeless –

- i top five reasons for application
- ii previous accommodation – rental, owned, living with relatives/friends;
- iii average age of main applicant;
- iv number of single persons;
- v number single with children;
- vi number with partner but no children;
- vii number with partner and children;
- viii total number of children housed

Number whose previous place of residence was -

- i L.B.Bromley;
- ii other London Borough;
- iii England;
- iv rest of UK;
- v overseas.

9. From Cllr Nicholas Bennett MA JP to the Portfolio Holder for Renewal, Recreation and Housing

If he will set out in table format the following information regarding the temporary accommodation for homeless families.

i Location: Number placed in accommodation in -

- L.B.Bromley;
- other London borough,
- Kent (including Medway Unity Authority);
- other neighbouring counties and districts to Greater London,
- rest of England,
- Scotland,
- Wales,

- Northern Ireland
- overseas.

ii Accommodation:

- L.B. Bromley,
- housing association,
- private sector,
- bed and breakfast
- other.

iii Weekly cost by number of bedrooms.

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Report No.
CSD21079

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 July 2021

Decision Type: Non-Urgent Executive Non-Key

Title: TREASURY MANAGEMENT - ANNUAL REPORT 2020/21

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 At its meeting on 23rd June 2021, the Executive, Resources and Contracts PDS Committee considered the attached report summarising treasury management activity during the March quarter and including the Treasury Management Annual Report for 2020/21. The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 31st March 2021 totalled £380.1m and there was no external borrowing. For information and comparison, the balance of investments stood at £396.9m as at 31st December 2020 and £336.1m as at 31st March 2020, and on 4th June 2021 it stood at £407.2m.
-

2. **RECOMMENDATION**

That the Treasury Management Annual Report for 2020/21 be noted and the actual prudential indicators in the report be approved.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Existing Policy: To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rates of return on investments.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Interest on balances
 4. Total current budget for this head: £3.591m budget (net interest earnings) in 2020/21, surplus of £1.5m achieved in 2020/21. Budget for 2021/22 £3.591m.
 5. Source of funding: Net investment earnings
-

Personnel

1. Number of staff (current and additional): 0.25fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

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

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

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

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Treasury Management - Annual Investment Strategy 2020/21, Council, 24 th February 2020 CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Link Asset Services

Decision Maker:	Resources, Commissioning & Contract Management Portfolio Holder Council
Date:	For pre-decision scrutiny by Executive, Resources and Contracts PDS Committee on 23rd June 2021 Council 12th July 2021
Decision Type:	Non-Urgent Executive Non-Key
Title:	TREASURY MANAGEMENT – ANNUAL REPORT 2020/21
Contact Officer:	Katherine Ball, Principal Accountant Tel: 020 8313 4792 E-mail: katherine.ball@bromley.gov.uk
Chief Officer:	Director of Finance
Ward:	All wards

1. Reason for report

1.1 This report summarises treasury management activity during the March quarter and includes the Treasury Management Annual Report for 2020/21, which is required to be reported to Full Council. The report ensures that the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management. Investments as at 31st March 2021 totalled £380.1m and there was no external borrowing. For information and comparison, the balance of investments stood at £396.9m as at 31st December 2020 and £336.1m as at 31st March 2020, and, at the time of writing this report (4th June 2021) it stood at £407.2m

2. **RECOMMENDATION(S)**

2.1 **The Portfolio Holder and Council are asked to:**

- (a) Note the Treasury Management Annual Report for 2020/21;**
- (b) Approve the actual prudential indicators within the report.**

Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rates of return on investments.
 2. BBB Priority: Excellent Council.
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Interest on Balances
 4. Total current budget for this head: £3.591m budget (net interest earnings) in 2020/21; surplus of £1.5m achieved in 2020/21. Budget for 2021/22 £3.591m
 5. Source of funding: Net investment earnings
-

Staff

1. Number of staff (current and additional): 0.25 fte
 2. If from existing staff resources, number of staff hours: 9 hours per week
-

Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is applicable
-

Customer Impact

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

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

3 COMMENTARY

3.1 General

- 3.1.1 Under the requirements of the CIPFA Code of Practice on Treasury Management, the Council is required, as a minimum, to approve an annual treasury strategy in advance of the year, a mid-year review report and an annual report following the year comparing actual activity to the strategy. In practice, the Director of Finance has reported quarterly on treasury management activity for many years, as well as reporting the annual strategy before the year and the annual report after the year-end. This report includes details of investment performance in the final quarter of 2020/21 and the annual report for the whole of the financial year 2020/21.
- 3.1.2 The 2020/21 annual treasury strategy, including the MRP (Minimum Revenue Provision) Policy Statement and prudential indicators, was originally approved by Council in February 2020.
- 3.1.3 Recent changes in the regulatory environment place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the actual position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.1.4 The Council has monies available for Treasury Management investment as a result of the following:
- Positive cash flow;
 - Monies owed to creditors less than monies owed by debtors;
 - Receipts (mainly from Government) received in advance of payments being made;
 - Capital receipts not yet utilised to fund capital expenditure;
 - Provisions made in the accounts for liabilities (e.g. provision for outstanding legal cases) which have not yet materialised;
 - General and earmarked reserves retained by the Council.
- 3.1.5 Some of the monies identified above are short term and investment of these needs to be highly "liquid", particularly if it relates to a positive cash flow position, which can change in the future. Future monies available for Treasury Management investment will depend on the budget position of the Council and whether the Council will need to substantially run down capital receipts and reserves. Against a backdrop of unprecedented cuts in Government funding (which will require the Council to make further revenue savings to balance the budget in future years), there is a likelihood that such actions may be required in the medium term, which will reduce the monies available for investment.
- 3.1.6 The Council has also identified an alternative investment strategy relating to property investment. To date, this has resulted in actual and planned acquisitions which generated £3m income in 2015/16, £4.6m in 2016/17, £5.6m in 2017/18, £5.5m in 2018/19, £5.4m in 2019/20, and £5.3m in 2020/21. This is based on a longer term investment timeframe of at least 3 to 5 years and ensures that the monies available can attract higher yields over the longer term.
- 3.1.7 A combination of lower risk investment relating to Treasury Management and a separate investment strategy in the form of property acquisitions (generating higher yields and risks) provides a balanced investment strategy. Any investment decisions will also need to consider the likelihood that interest rates will increase at some point. The available resources for the medium term, given the ongoing reductions in Government funding, will need to be regularly reviewed.

3.2 Treasury Performance in the quarter and year ended 31st March 2021

3.2.1 **Borrowing:** The Council's healthy cashflow position continues and, other than some short-term borrowing at the end of 2015/16, no borrowing has been required for a number of years.

3.2.2 **Investments:** The following table sets out details of investment activity during the third quarter of 2020/2021 and the whole of the 2020/21 financial year:

	Qtr ended 31/03/21		2020/21 financial year		Ref para
	Deposits £m	Ave Rate %	Deposits £m	Ave Rate %	
Balance of "core" investments b/f	270.00	1.12	220.00	1.25	
New investments made in period	50.00	0.69	225.00	0.89	
Investments redeemed in period	-55.00	1.44	-180.00	1.20	
"Core" investments at end of period	265.00	0.97	265.00	0.97	
Money Market Funds	23.00	0.01	23.00	0.09	3.4.1
CCLA Property Fund*	40.00	12.45	40.00	3.60	3.4.4.5
Multi-Asset Income Funds*	40.00	-0.75	40.00	13.90	3.4.4.7
Schroders Diversified Growth Fund*	10.00	4.88	10.00	4.88	3.4.4.8
Project Beckenham Loan	2.10	6.00	2.10	6.00	3.4.3
"Alternative" investments at end of period	115.10	4.18	115.10	6.22	
Total investments at end of period	380.10	1.94	380.10	2.56	

* The rates shown here are the total return i.e. dividend income received, plus change in capital value.
Only dividend income will be recognised during the year; the change in capital value is held in the Pooled Investment Funds Adjustment Account and will be recognised on the sale of the investments.
A more detailed breakdown of the rates for these investments is shown in the relevant paragraphs.

3.2.3 Details of the outstanding investments at 31st March 2021 are shown in maturity date order in Appendix 2 and by individual counterparty in Appendix 3. The return on the new "core" investments placed during the fourth quarter of 2020/21 was 0.69%.

3.2.4 Reports to previous meetings have highlighted the fact that options with regard to the reinvestment of maturing deposits have become seriously limited in recent years following bank credit rating downgrades. Changes to lending limits and eligibility criteria, as well as the introduction of pooled funds and housing associations have alleviated this to some extent, but there are still not many investment options available other than placing money with instant access accounts at relatively low interest rates.

3.2.5 Despite this, the Council's treasury management performance compares very well with that of other authorities; the Council was in the top decile nationally for 2014/15, 2015/16, 2016/17 and 2017/18 (the most recent CIPFA treasury management statistics available), and officers continue to look for alternative investment opportunities both within the current strategy and outside, for consideration as part of the ongoing review of the strategy.

3.2.6 Active UK banks and building societies on the Council's list now comprise only Lloyds, RBS (ring-fenced – including National Westminster Bank), Santander, Goldman Sachs International Bank, Close Brothers, and Yorkshire, Principality, Nottingham & Skipton Building Societies, and all of these have reduced their interest rates significantly in recent years. The Director of Finance will continue to monitor rates and counterparty quality and take account of external advice prior to any investment decisions.

3.2.7 The chart in Appendix 1 shows total investments at quarter-end dates back to 1st April 2004 and shows how available funds have increased steadily over the years. This has been a significant contributor to the over-achievement of investment income against budgeted income in recent years.

3.3 Interest Rate Forecast (provided by Link Asset Services)

3.3.1 Investment returns which had been low during 2019/20, plunged during 2020/21 to near zero or even into negative territory. Most local authority lending managed to avoid negative rates and one feature of the year was the growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2020/21 was that the Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.

3.3.2 While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

3.3.3 Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing counterparty risk exposure, by having fewer investments placed in the financial markets.

3.3.4 The latest forecasts are shown in the table below:

Date	LATEST FORECAST (May 21)				PREVIOUS FORECAST (Dec 20)			
	Base Rate	3 month ave earnings	6 month ave earnings	1 year ave earnings	Base Rate	3 month ave earnings	6 month ave earnings	1 year ave earnings
Jun-21	0.10%	0.10%	0.10%	0.20%	0.10%	0.10%	0.10%	0.20%
Dec-21	0.10%	0.10%	0.10%	0.20%	0.10%	0.10%	0.10%	0.20%
Jun-22	0.10%	0.10%	0.10%	0.20%	0.10%	0.10%	0.10%	0.20%
Dec-22	0.10%	0.10%	0.10%	0.30%				

3.4 Other Investments

3.4.1 Money Market Funds

3.4.1.1 The Council currently has 7 AAA-rated Money Market Fund accounts, with Prime Rate, Aberdeen Standard (formerly known as Ignis), Insight, Blackrock, Fidelity, Morgan Stanley and Legal & General, all of which have a maximum investment limit of £15m. In common with market rates for fixed-term investments, interest rates on money market funds have fallen

considerably in recent years. The Aberdeen Standard, Prime Rate and Fidelity currently offer the best rate at around 0.01%.

- 3.4.1.2 The total balance held in Money Market Funds has varied during the year, moving from £34.8m as at 31st March 2020, to £31.7m at 30th September 2020, £44.8m as at 31st December 2020 and £23m as at March 2021. The Money Market Funds currently offer the lowest interest of all eligible investment vehicles with the exception of the Government Debt Management Account Deposit Facility (current indicative rate 0.01%); however they are the most liquid, with funds able to be redeemed up until midday for same day settlement.

Money Market Funds	Date Account Opened	Ave. Rate 2020/21	Ave. daily balance 2020/21	Actual balance 31/03/2021	Latest balance 04/06/2021	Latest Rate 04/06/21
		%	£m	£m	£m	%
Prime Rate (Federated)	15/06/2009	0.11	13.4	8.00	15.00	0.01
Aberdeen Standard	25/01/2010	0.13	14.7	15.00	15.00	0.01
Insight	03/07/2009	0.08	2.68	-	-	-
Legal & General (LGIM)	23/08/2012	0.11	7.29	-	-	-
Blackrock	16/09/2009	-	-	-	-	-
Fidelity	20/11/2002	0.09	6.84	-	14.9	0.01
Morgan Stanley		-	-	-	-	-
TOTAL			44.95	23.00	44.90	

3.4.2 Housing Associations

- 3.4.2.1 Following the reduction of the counterparty rating criteria to A- for Housing Associations approved by Council in June 2017, deposits of £10m each were placed with Hyde Housing Association (A+) and Places for People Homes (A) for two years at rates of 1.30% and 1.60% respectively. Both of these investments have since matured. More recently, a deposit of £5m was placed with Metropolitan Housing Trust (A+) in April 2018 for two years at a rate of 1.75%. On 25th February 2019, Council approved an increase in the limit for investments with Housing Associations from £25m to £50m. On 28th March 2019 a further investment of £10m was made with Southern Housing Group (A2) for two years at a rate of 1.70%. On 9th April 2019 a £5m investment was made with Thames Valley Housing Association (A-) for 2 years at a rate of 1.73% and on 22nd August with Optivo Housing (A2) for 2 years at a rate of 1.45%. On April 14th 2020, a £10m investment was made with Places for People Homes Ltd (A3) for two years at a rate of 2.15%, and on June 12th 2020, a £5m investment was made with Metropolitan Housing Trust (A-) for two years at a rate of 1.50%. On January 20th 2021 a £10m investment was made with Yorkshire Housing Ltd (A3) for two years at a rate of 1%. On 1st March 2021 Council approved an increase in the limit for investments with Housing Associations from £50m to £80m. Current investments in Housing Associations total £45m.

3.4.3 Loan to Project Beckenham

- 3.4.3.1 Council has also approved the inclusion in the strategy of the secured loan to Project Beckenham relating to the provision of temporary accommodation for the homeless that had previously been agreed to be advanced from the Investment Fund. This loan was made in June 2017, at a rate of 6%, although that may increase to 7.5% if the loan to value ratio

exceeds a specified value. £0.7m of this loan was re-paid during August 2019 and £0.3m was re-paid in September 2019 leaving a balance of £1.3m as at the end of March 2020. Sums of £0.35m and £0.45m were advanced in August 2020 and December 2020 respectively and the current balance is £2.1m.

3.4.4 Pooled Investment Schemes

- 3.4.4.1 In September 2013, the Portfolio Holder and subsequently Council approved the inclusion of collective (pooled) investment schemes as eligible investment vehicles in the Council's Investment Strategy with an overall limit of £25m and a maximum duration of 5 years. The limit was subsequently increased to £40m by Council in October 2015, £80m in June 2017 and £100m in December 2017. Such investments would require the approval of the Director of Finance in consultation with the Resources Portfolio Holder.
- 3.4.4.2 Until March 2018, accounting rules required that the change in capital value of these investments be held in the Available for Sale Financial Assets Reserve, and only recognised in revenue on the sale of the investment. In year projections for interest on balances therefore only reflected the dividends from these investments.
- 3.4.4.3 However, from 2018/19 onwards, local authorities are required to account for financial instruments in accordance with IFRS9. One of the results of this is that changes in the capital value of pooled fund investments are recognised in revenue in-year. MHCLG have since issued regulations providing a statutory override to reverse the impact of IFRS9 on the Council's General Fund, which came into force in December 2018. The regulations are currently only applicable for a period of five years to March 2023, when it is intended for movements in value to be recognised in year.
- 3.4.4.4 Due to the regulations being time limited and the potentially volatile nature of these investments, interest/dividend earnings above 2.5% (£1,196k in 2019/20 & £1,509k in 2018/19) and above 2% for 2020/21 (£1,520k) and £5,310k to date, relating to the CCLA Property Fund and Fidelity Multi-Asset Income Fund were set aside in an Income Equalisation earmarked reserve. This will protect the council against unexpected variations in the capital value of these investments and any timing issues arising from the expiry of the statutory override.

CCLA Property Fund

- 3.4.4.5 Following consultation between the Director of Finance and the Resources Portfolio Holder, an account was opened in January 2014 with the CCLA Local Authorities' Property Fund and an initial deposit of £5m was made, followed by further deposits of £5m in July 2014, £5m in March 2015, £10m in October 2015, £5m in October 2016 and £10m in October 2017. The investment in the CCLA Fund is viewed as a medium to long-term investment and dividends are paid quarterly. A breakdown of the dividend earned and capital growth is provided in the table below.

	Dividend	Capital Growth	Total Return
	%	%	%
Annualised net return			
01/02/14- 31/03/14	4.29	-29.64	-25.35
01/04/14 - 31/03/15	5.03	3.44	8.47
01/04/15 - 31/03/16	5.02	1.63	6.65
01/04/16 - 31/03/17	4.55	-2.50	2.05
04/04/17 - 31/03/18	4.58	2.41	6.99
01/04/18 - 31/03/19	4.46	1.57	6.03
01/04/19 - 31/03/20	4.45	-3.68	0.77
01/04/20 - 31/03/21	4.30	-0.71	3.60
Cumulative return	4.53	-0.28	4.25

3.4.4.6 The negative “growth”, particularly in the first two months, was mainly a result of the bid-offer spread that is inherent in property funds when the original and subsequent investments were made. This has less of an effect over the longer-term that these investments are expected to be held, and overall there has been a reduction in capital of -0.28%.

Multi-Asset Income Fund

3.4.4.7 Following approval by Council in June and December 2017, the limit for pooled investment schemes was increased to £100m, and an investment of £30m was made on 12th July 2017 in the Fidelity Multi-Asset Income Fund following the agreement of the Resources Portfolio Holder, followed by a further £10m in December 2019. The fund return for the year to 31st March 2021 was capital growth of 9.52% and dividends paid of 4.38%, resulting in a total return of 13.9%. Since inception, dividends paid have averaged 4.32% per annum and the capital value has reduced by 0.86% per annum resulting in a net annual return of 3.47%. It should be noted that the Fund represents a longer-term investment of around five years.

	Dividend	Capital Gain / Loss	Total Return
	%	%	%
Annualised net return			
12/07/2017 - 31/03/2018	4.24	-6.02	-1.78
01/04/18 - 31/03/2019	4.26	1.38	5.64
01/04/19 - 31/03/2020	4.37	-11.81	-7.44
01/04/20- 31/03/2021	4.38	9.52	13.9
Cumulative Return	4.32	-0.86	3.47

Diversified Growth Fund

3.4.4.8 An investment of £10m was made on 1st March 2021 in the Schrodgers Diversified Growth Fund following the agreement of the Resources Portfolio Holder. The fund return for year to 31st March 2021 was capital growth of 2.43% and dividends paid of 2.45%, resulting in a total return of 4.88%.

Investment with Heritable Bank

3.4.5.1 Members will be aware from previous updates to the Resources Portfolio Holder and the Executive that the Council had £5m invested with the Heritable Bank (2007), a UK subsidiary of the Icelandic bank, Landsbanki. In October 2008, the bank was placed in administration and the investment was frozen. To date a total of £5,044k has been received (99% of the total claim of £5,087k), leaving a balance of £43k (1%).

3.5 Actual prudential indicators for 2020/21

3.5.1 The old capital control system was replaced in April 2004 by a prudential system based largely on self-regulation by local authorities themselves. At the heart of the system is The Prudential Code for Capital Finance in Local Authorities, developed by CIPFA. The Code requires the Council to set a number of prudential indicators designed to monitor and control capital expenditure, financing and borrowing. The indicators for 2020/21 were approved by the Executive and the Council in February 2020. Appendix 4 sets out the actual performance in 2020/21 against those indicators.

3.6 Economic Background during 2020/21 (provided by Link Asset Services)

3.6.1 Further information on the economic background is included as Appendix 5.

3.7 Regulatory Framework, Risk and Performance

3.7.1 The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing that may be undertaken (although no restrictions have been made to date);
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;
- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act, the CLG has issued Investment Guidance to structure and regulate the Council's investment activities;

Under section 238(2) of the Local Government and Public Involvement in Health Act 2007, the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

3.7.2 The Council has complied with all of the above relevant statutory and regulatory requirements, which limit the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low risk approach.

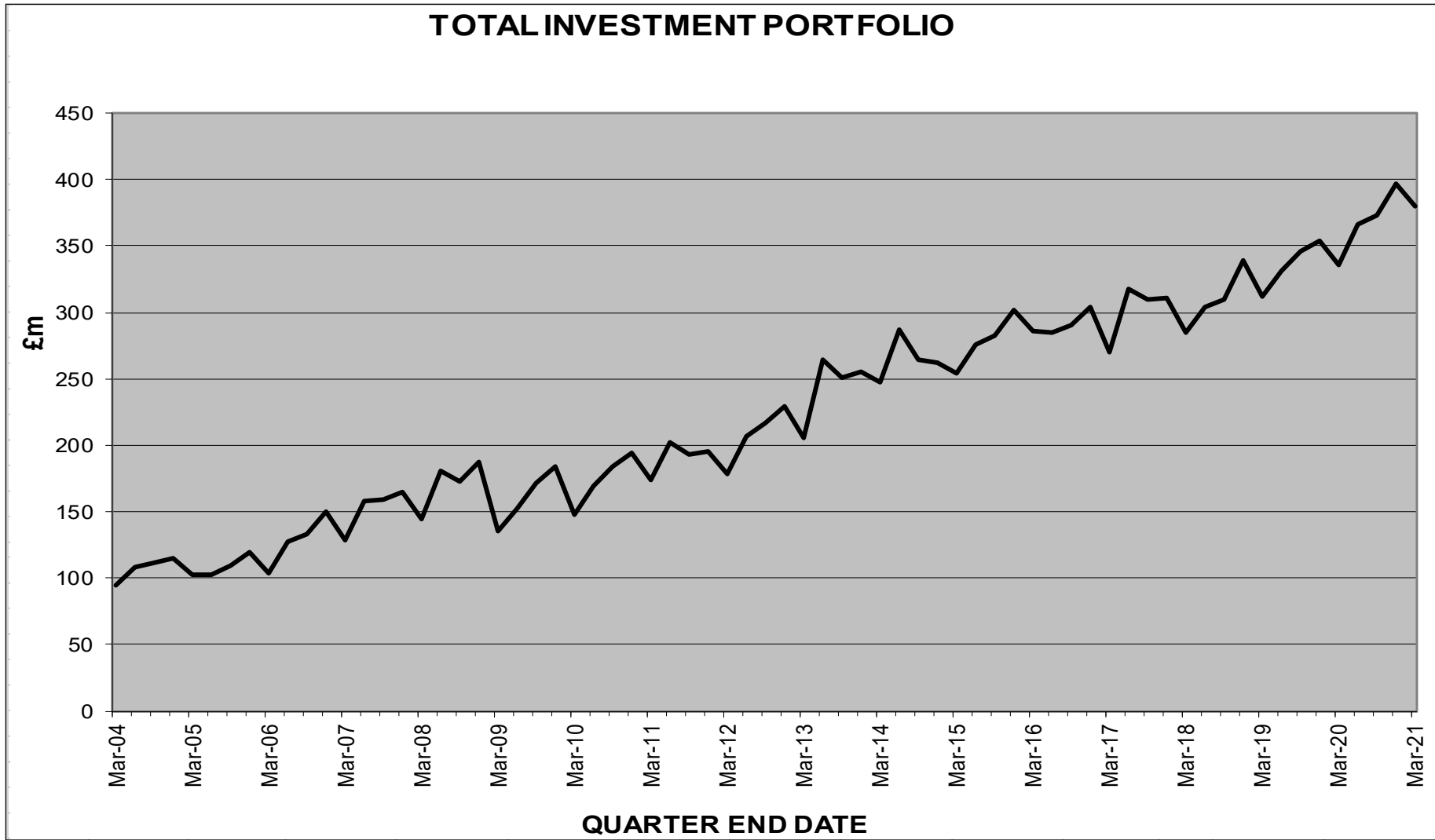
4 POLICY IMPLICATIONS

4.1 In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

5 FINANCIAL IMPLICATIONS

- 5.1 The Bank of England base rate has remained at 0.10% during 2020/21, and this has led to new core investments being taken out at lower rates; this was not forecast to have a substantial impact on the amount of interest received in 2020/21 as most of the rates on the core investments were already fixed, but is projected to have an impact over the next few years as the core investments taken out at higher rates mature and are replaced by investments at lower rates.
- 5.2 The treasury management strategy has previously been revised to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks.
- 5.3 Although the Council has seen a significant reduction in the rates offered for new fixed-term investments as well as overnight money market funds, as part of the treasury management strategy there are a number of existing longer-term fixed investments at higher rates that are cushioning the Council from the impact of the drop in interest rates, and are partly responsible for the surplus of £1.5m for the year. The projected surplus is also due to higher interest earned on the pooled funds and the Project Beckenham loan.
- 5.4 With regard to 2021/22, the draft budget has remained at £3,591k, to reflect the increased level of interest earnings from alternative investments as set out above which is in part offset by an expected reduction in balances available for investment as a result of the utilisation of capital receipts and grants/contributions as well as earmarked revenue reserves.
- 5.5 The final outturn for net interest on investments in 2020/21 was £5,140k compared to the budget of £3,591k, mainly due to the continued high level of balances available for investment as well as the high level of interest earned on the pooled funds, housing association deposits and Project Beckenham loan.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Treasury Management - Annual Investment Strategy 2020/21, Council, 24 th February 2020 CIPFA Code of Practice on Treasury Management CIPFA Prudential Code for Capital Finance in Local Authorities CLG Guidance on Investments External advice from Link Asset Services



INVESTMENTS HELD AS AT 31ST MARCH 2021

Counterparty	Start Date	Maturity Date	Rate of Interest %	Amount £m
FIXED DEPOSITS				
BATH & NE SOMERSET DC	01/04/2020	01/04/2021	1.50	15.0
STOCKTON ON TEES BC	01/04/2020	01/04/2021	1.50	5.0
CHESHIRE EAST COUNCIL	17/09/2020	06/04/2021	0.45	5.0
NATWEST BANK	09/04/2019	09/04/2021	1.35	10.0
CHESHIRE EAST COUNCIL	21/09/2020	12/04/2021	0.42	5.0
THURROCK COUNCIL	16/04/2020	16/04/2021	1.90	10.0
PRINCIPALITY BUILDING SOCIETY- CARDIFF	31/07/2020	30/07/2021	0.38	10.0
LANCASHIRE COUNTY COUNCIL	05/08/2020	04/08/2021	0.40	10.0
CLOSE BROTHERS	14/08/2020	16/08/2021	0.80	10.0
LANCASHIRE COUNTY COUNCIL	19/08/2020	19/08/2021	0.43	5.0
OPTIVO	22/08/2019	23/08/2021	1.45	10.0
SOUTHERN HOUSING GROUP	29/03/2021	30/09/2021	1.70	10.0
WARRINGTON BOROUGH COUNCIL	29/10/2019	29/10/2021	1.55	15.0
CLOSE BROTHERS	30/10/2020	29/10/2021	0.70	10.0
SANTANDER BANK	16/11/2020	16/11/2021	0.45	15.0
QATAR NATIONAL BANK SAQ	04/12/2020	03/12/2021	0.58	10.0
QATAR NATIONAL BANK SAQ	04/12/2020	06/12/2021	0.54	5.0
NORTHUMBERLAND COUNTY COUNCIL	18/12/2020	17/12/2021	0.40	10.0
SANTANDER BANK	18/12/2020	17/12/2021	0.45	15.0
CAMBRIDGESHIRE COUNTY COUNCIL	23/12/2019	23/12/2021	1.40	5.0
GOLDMAN SACHS INTERNATIONAL BANK	27/01/2021	27/01/2022	0.14	5.0
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - LONDON	28/01/2021	27/01/2022	0.22	15.0
CLOSE BROTHERS	18/03/2021	18/03/2022	0.40	10.0
PLACES FOR PEOPLE HOMES LTD	14/04/2020	14/04/2022	2.15	10.0
WALSALL METROPOLITAN BOROUGH COUNCIL	20/04/2020	20/04/2022	1.45	5.0
METROPOLITAN HOUSING TRUST	12/06/2020	10/06/2022	1.50	5.0
THURROCK COUNCIL	12/06/2020	13/06/2022	1.55	5.0
YORKSHIRE HOUSING LTD	20/01/2021	20/01/2023	1.00	10.0
WALSALL METROPOLITAN BOROUGH COUNCIL	20/04/2020	20/04/2023	1.68	10.0
TOTAL FIXED INVESTMENTS				265.0
OTHER FUNDS				
ABERDEEN -STANDARD LIFE (IGNIS) LIQUIDITY FUND				15.0
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND				8.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			40.0
FIDELITY MULTI-ASSET INCOME FUND	12/07/2017			40.0
SCHRODER'S GLOBAL DIVERSIFIED INCOME	01/03/2021			10.0
PROJECT BECKENHAM LOAN	09/06/2017			2.1
TOTAL INVESTMENTS				380.1

INVESTMENTS HELD AS AT 31ST MARCH 2021

	Start Date	Maturity Date	Rate of Interest %	Amount £m	Total £m	Limit £m	Remaining £m
<u>UK BANKS</u>							
NATWEST BANK	09/04/2019	09/04/2021	1.35	10.00	10.0	80.0	70.0
SANTANDER BANK	16/11/2020	16/11/2021	0.45	15.00			
SANTANDER BANK	18/12/2020	17/12/2021	0.45	15.00	30.0	30.0	0.0
NATIONAL BANK OF KUWAIT (INTERNATIONAL) - I	28/01/2021	27/01/2022	0.22	15.00	15.0	15.0	0.0
GOLDMAN SACHS INTERNATIONAL BANK	27/01/2021	27/01/2022	0.14	5.00	5.0	20.0	15.0
QATAR NATIONAL BANK SAQ	04/12/2020	03/12/2021	0.58	10.00			
QATAR NATIONAL BANK SAQ	04/12/2020	06/12/2021	0.54	5.00	15.0	15.0	0.0
CLOSE BROTHERS	14/08/2020	16/08/2021	0.80	10.00			
CLOSE BROTHERS	30/10/2020	29/10/2021	0.70	10.00			
CLOSE BROTHERS	18/03/2021	18/03/2022	0.40	10.00	30.0	30.0	0.0
<u>BUILDING SOCIETIES</u>							
PRINCIPALITY BUILDING SOCIETY- CARDIFF	31/07/2020	30/07/2021	0.38	10.00	10.0	10.0	0.0
<u>LOCAL AUTHORITIES</u>							
CHESHIRE EAST COUNCIL	17/09/2020	06/04/2021	0.45	5.00			
CHESHIRE EAST COUNCIL	21/09/2020	12/04/2021	0.42	5.00	10.0	15.0	5.0
THURROCK COUNCIL	16/04/2020	16/04/2021	1.90	10.00			
THURROCK COUNCIL	12/06/2020	13/06/2022	1.55	5.00	15.0	15.0	0.0
LANCASHIRE COUNTY COUNCIL	05/08/2020	04/08/2021	0.40	10.00			
LANCASHIRE COUNTY COUNCIL	19/08/2020	19/08/2021	0.43	5.00	15.0	15.0	0.0
WALSALL METROPOLITAN BOROUGH COUNCIL	20/04/2020	20/04/2022	1.45	5.00			
WALSALL METROPOLITAN BOROUGH COUNCIL	20/04/2020	20/04/2023	1.68	10.00	15.0	15.0	0.0
BATH & NE SOMERSET DC	01/04/2020	01/04/2021	1.50	15.00	15.0	15.0	0.0
STOCKTON ON TEES BC	01/04/2020	01/04/2021	1.50	5.00	5.0	15.0	10.0
WARRINGTON BOROUGH COUNCIL	29/10/2019	29/10/2021	1.55	15.00	15.0	15.0	0.0
NORTHUMBERLAND COUNTY COUNCIL	18/12/2020	17/12/2021	0.40	10.00	10.0	15.0	5.0
CAMBRIDGESHIRE COUNTY COUNCIL	23/12/2019	23/12/2021	1.40	5.00	5.0	15.0	10.0
<u>HOUSING ASSOCIATIONS</u>							
OPTIVO	22/08/2019	23/08/2021	1.45	10.00	10.0	10.0	0.0
SOUTHERN HOUSING GROUP	29/03/2021	30/09/2021	1.70	10.00	10.0	10.0	0.0
PLACES FOR PEOPLE HOMES LTD	14/04/2020	14/04/2022	2.15	10.00	10.0	10.0	0.0
METROPOLITAN HOUSING TRUST	12/06/2020	10/06/2022	1.50	5.00	5.0	10.0	5.0
YORKSHIRE HOUSING LTD	20/01/2021	20/01/2023	1.00	10.00	10.0	10.0	0.0
<u>OTHER INVESTMENTS</u>							
ABERDEEN -STANDARD LIFE (IGNIS) LIQUIDITY FUND				15.00	15.0	15.0	0.0
FEDERATED (PRIME RATE) STERLING LIQUIDITY FUND				8.00	8.0	15.0	7.0
CCLA LOCAL AUTHORITY PROPERTY FUND	30/01/2014			40.00			
FIDELITY - MULTI ASSET INCOME FUND	12/07/2017			40.00			
SCHRODER'S GLOBAL DIVERSIFIED INCOME	01/03/2021			10.00	90.0	100.0	10.0
PROJECT BECKENHAM LOAN	09/06/2017			2.10	2.1	2.3	0.2
TOTAL INVESTMENTS				380.1	380.1		

Prudential and Treasury Indicators – Actual 2020/21

Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy and require the approval of the Council. The table below shows the actual performance in relation to the indicators in 2019/20 and compares the actual in 2020/21 with the original estimates approved in February 2020 and with the revised estimates (“probable”) reported in the Q3 review in February 2021. Further details on capital expenditure outturn will be reported to the Executive in June 2021.

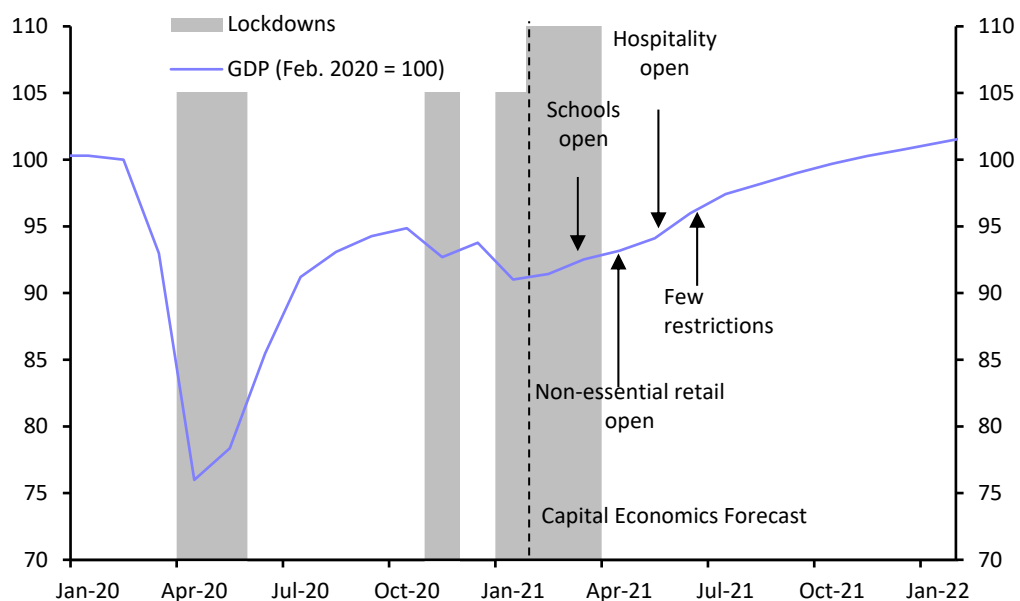
The Council is also required to indicate if it has adopted the CIPFA Code of Practice on Treasury Management. The revised Code (published in 2009 and updated in 2011 and 2017) was adopted by full Council on 15th February 2010.

PRUDENTIAL INDICATORS	2019/20	2020/21	2020/21	2020/21
	actual	estimate	probable	actual
Total Capital Expenditure	£23.4m	£44.3m	£37.6m	£19.7m
Ratio of financing costs to net revenue stream	0%	0%	0%	0%
Net borrowing requirement (net investments for Bromley)				
brought forward 1 April	£311.6m	£272.6m	£336.1m	£336.1m
carried forward 31 March	£336.1m	£259.8m	£328.3m	£380.1m
in year borrowing requirement /movement in net investments	£24.5m	-£20.8m	-£7.8m	£44.0m
Capital Financing Requirement as at 31 March	£9.6m	£0.4m	£8.9m	£7.5m
Incremental impact of capital investment decisions	£ p	£ p	£ p	£ p
Increase in council tax (band D) per annum	-	-	-	-

TREASURY MANAGEMENT INDICATORS	2019/20	2020/21	2020/21	2020/21
	actual	estimate	probable	actual
Authorised Limit for external debt -				
borrowing	£30.0m	£30.0m	£30.0m	£30.0m
other long term liabilities	£30.0m	£30.0m	£30.0m	£30.0m
TOTAL	£60.0m	£60.0m	£60.0m	£60.0m
Operational Boundary for external debt -				
borrowing	£10.0m	£10.0m	£10.0m	£10.0m
other long term liabilities	£20.0m	£20.0m	£20.0m	£20.0m
TOTAL	£30.0m	£30.0m	£30.0m	£30.0m
Actual external debt	£1.2m	£1.1m	£0.7m	£9.6m
Upper limit for fixed interest rate exposure	100%	100%	100%	100%
Upper limit for variable rate exposure	20%	20%	20%	20%
Upper limit for total principal sums invested for more than 364 days beyond year-end dates	£170.0m	£170.0m	£170.0m	£170.0m

Further Information on the Economic Background during 2020/21 (provided by Link Asset Services)

UK. Coronavirus. The financial year 2020/21 will go down in history as being the year of the pandemic. The first national lockdown in late March 2020 did huge damage to an economy that was unprepared for such an eventuality. This caused an economic downturn that exceeded the one caused by the financial crisis of 2008/09. A short second lockdown in November did relatively little damage but by the time of the third lockdown in January 2021, businesses and individuals had become more resilient in adapting to working in new ways during a three month lockdown so much less damage than was caused than in the first one. The advent of vaccines starting in November 2020, were a game changer. The way in which the UK and US have led the world in implementing a fast programme of vaccination which promises to lead to a return to something approaching normal life during the second half of 2021, has been instrumental in speeding economic recovery and the reopening of the economy. In addition, the household saving rate has been exceptionally high since the first lockdown in March 2020 and so there is plenty of pent-up demand and purchasing power stored up for services in the still-depressed sectors like restaurants, travel and hotels as soon as they reopen. It is therefore expected that the UK economy could recover its pre-pandemic level of economic activity during quarter 1 of 2022.



Both the Government and the Bank of England took rapid action in March 2020 at the height of the crisis to provide support to financial markets to ensure their proper functioning, and to support the economy and to protect jobs.

The **Monetary Policy Committee** cut Bank Rate from 0.75% to 0.25% and then to 0.10% in March 2020 and embarked on a £200bn programme of quantitative easing QE (purchase of gilts so as to reduce borrowing costs throughout the economy by lowering gilt yields). The MPC increased the QE by £100bn in June and by £150bn in November to a total of £895bn. While the Bank Rate remained unchanged for the rest of the year, financial markets were concerned that the MPC could cut the Bank Rate to a negative rate; this was firmly discounted at the February 2021 MPC meeting when it was established that commercial banks would be unable to implement negative rates for at least six

months – by which time the economy was expected to be making a strong recovery and negative rates would no longer be needed.

Average inflation targeting. This was the major change adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and *achieving the 2% target sustainably*". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise the Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise the Bank Rate. This sets a high bar for raising the Bank Rate and no increase is expected by March 2024, and possibly for as long as five years. Inflation has been well under 2% during 2020/21; it is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short lived factor and so not a concern to the MPC.

Government support. The Chancellor has implemented repeated rounds of support to businesses by way of cheap loans and other measures, and has protected jobs by paying for workers to be placed on furlough. This support has come at a huge cost in terms of the Government's budget deficit ballooning in 20/21 and 21/22 so that the Debt to GDP ratio reaches around 100%. The Budget on 3rd March 2021 increased fiscal support to the economy and employment during 2021 and 2022 followed by substantial tax rises in the following three years to help to pay the cost of the pandemic. This will help further to strengthen the economic recovery from the pandemic and to return the government's finances to a balanced budget on a current expenditure and income basis in 2025/26. This will stop the Debt to GDP ratio rising further from 100%. An area of concern, though, is that the government's debt is now twice as sensitive to interest rate rises as before the pandemic due to QE operations substituting fixed long-term debt for floating rate debt; there is, therefore, much incentive for the Government to promote Bank Rate staying low e.g. by using fiscal policy in conjunction with the monetary policy action by the Bank of England to keep inflation from rising too high, and / or by amending the Bank's policy mandate to allow for a higher target for inflation.

BREXIT. The final agreement on 24th December 2020 eliminated a significant downside risk for the UK economy. The initial agreement only covered trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. There was much disruption to trade in January as form filling has proved to be a formidable barrier to trade. This appears to have eased somewhat since then but is an area that needs further work to ease difficulties, which are still acute in some areas.

USA. The US economy did not suffer as much damage as the UK economy due to the pandemic. The Democrats won the presidential election in November 2020 and have control of both Congress and the Senate, although power is more limited in the latter. This enabled the Democrats to pass a \$1.9trn (8.8% of GDP) stimulus package in March on top of the \$900bn fiscal stimulus deal passed by Congress in late December. These, together with the vaccine rollout proceeding swiftly to hit the target of giving a first jab to over half of the population within the President's first 100 days, will promote a rapid easing of restrictions and strong economic recovery during 2021. The Democrats are also planning to pass a \$2trn fiscal stimulus package aimed at renewing infrastructure over the

next decade. Although this package is longer-term, if passed, it would also help economic recovery in the near-term.

After Chair Jerome Powell spoke on the **Fed's adoption of a flexible average inflation target** in his Jackson Hole speech in late August 2020, the mid-September meeting of the Fed agreed a new inflation target - that *"it would likely be appropriate to maintain the current target range until labour market conditions were judged to be consistent with the Committee's assessments of maximum employment and inflation had risen to 2% and was on track to moderately exceed 2% for some time."* This change was aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary "trap" like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade, (and this year), so financial markets took note that higher levels of inflation are likely to be in the pipeline; long-term bond yields duly rose after the meeting. There is now some expectation that where the Fed has led in changing its policy towards implementing its inflation and full employment mandate, other major central banks will follow, as indeed the Bank of England has done so already. The Fed expects strong economic growth during 2021 to have only a transitory impact on inflation, which explains why the majority of Fed officials project US interest rates to remain near-zero through to the end of 2023. The key message is still that policy will remain unusually accommodative – with near-zero rates and asset purchases – continuing for several more years. This is likely to result in keeping treasury yields at historically low levels. However, financial markets in 2021 have been concerned that the sheer amount of fiscal stimulus, on top of highly accommodative monetary policy, could be over-kill leading to a rapid elimination of spare capacity in the economy and generating higher inflation much quicker than the Fed expects. They have also been concerned as to how and when the Fed will eventually wind down its programme of monthly QE purchases of treasuries. These concerns have pushed treasury yields sharply up in the US in 2021 and is likely to have also exerted some upward pressure on gilt yields in the UK.

EU. Both the roll out and take up of vaccines has been disappointingly slow in the EU in 2021, at a time when many countries are experiencing a sharp rise in cases which are threatening to overwhelm hospitals in some major countries; this has led to renewed severe restrictions or lockdowns during March. This will inevitably put back economic recovery after the economy had staged a rapid rebound from the first lockdowns in Q3 of 2020 but contracted slightly in Q4 to end 2020 only 4.9% below its pre-pandemic level. Recovery will now be delayed until Q3 of 2021 and a return to pre-pandemic levels is expected in the second half of 2022.

Inflation was well under 2% during 2020/21. **The ECB** did not cut its main rate of -0.5% further into negative territory during 2020/21. It embarked on a major expansion of its QE operations (PEPP) in March 2020 and added further to that in its December 2020 meeting when it also greatly expanded its programme of providing cheap loans to banks. The total PEPP scheme of €1,850bn is providing protection to the sovereign bond yields of weaker countries like Italy. There is, therefore, **unlikely to be a euro crisis** while the ECB is able to maintain this level of support.

China. After a concerted effort to get on top of the virus outbreak in Q1 of 2020, economic recovery was strong in the rest of the year; this has enabled China to recover all of the contraction in Q1. Policy makers have both quashed the virus and implemented a programme of monetary and fiscal support that has been particularly effective at stimulating short-term growth.

Japan. Three rounds of government fiscal support in 2020 together with Japan's relative success in containing the virus without draconian measures so far, and the roll out of vaccines gathering momentum in 2021, should help to ensure a strong recovery in 2021 and to get back to pre-virus levels by Q3.

World growth. World growth was in recession in 2020. Inflation is unlikely to be a problem in most countries for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.

Deglobalisation. Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last 30 years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. In March 2021, western democracies implemented limited sanctions against a few officials in charge of government policy on the Uighurs in Xinjiang; this led to a much bigger retaliation by China and is likely to mean that the China / EU investment deal then being negotiated, will be torn up. After the pandemic exposed how frail extended supply lines were around the world, both factors are now likely to lead to a sharp retrenchment of economies into two blocs of western democracies v. autocracies. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products and vice versa. This is likely to reduce world growth rates.

Central banks' monetary policy. During the pandemic, the governments of western countries have provided massive fiscal support to their economies which has resulted in a big increase in total government debt in each country. It is therefore very important that bond yields stay low while debt to GDP ratios slowly subside under the impact of economic growth. This provides governments with a good reason to amend the mandates given to central banks to allow higher average levels of inflation than we have generally seen over the last couple of decades. Both the Fed and Bank of England have already changed their policy towards implementing their existing mandates on inflation, (and full employment), to hitting an average level of inflation. Greater emphasis could also be placed on hitting subsidiary targets e.g. full employment before raising rates. Higher average rates of inflation would also help to erode the real value of government debt more quickly.

Report No.
CSD21080

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 July 2021

Decision Type: Non-Urgent Executive Non-Key

Title: PROVISIONAL FINAL ACCOUNTS 2020/21

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 At its meeting on 30th June 2021, the Executive received and approved the attached report on the 2020/21 provisional outturn at portfolio level and Council wide, as well as the potential implications for the Council's financial position in 2021/22. The purpose of the report is to give a broad overview of the financial outturn. The 2020/21 provisional outturn provides for no variation in general fund balances, subject to the recommendations in this report being agreed. The report refers to the financial impact of the Covid-19 situation which needs to be treated with some caution because of the ongoing uncertainty arising from moving out of lockdown to transition and ultimately the 'new normal'. The report seeks agreement from Council to set aside resources to support funding housing investment as well as partly fund future Covid related cost pressures.

2. RECOMMENDATIONS

Council is requested to -

(1) Agree that a sum of £3.887m be set aside as a contribution to the Housing Invest to Save Fund as detailed in paragraph 12.7 of the attached report.

(2) Agree that a sum of £6.506m be set aside as a COVID impact/recovery earmarked reserve as detailed in paragraph 12.6 of the attached report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

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

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £229m
 5. Source of funding: See appendix 1 to the attached report for overall funding of the budget.
-

Personnel

1. Number of staff (current and additional): 2,096 fte posts (per 2020/21 Budget) which includes 505 for budgets delegated to schools.
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972, the Local Government Finance Act 1998, the Local Government Act 2000, the Local Government Act 2002 and the Accounts and Audit Regulations 2015.
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

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

Ward Councillor Views

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

Non-Applicable Sections:	Vulnerable Adults and Children/Legal/Personnel/ Finance/Policy/Procurement
Background Documents: (Access via Contact Officer)	See attached report

Decision Maker: EXECUTIVE
COUNCIL

Date: Executive 30th June 2021
Council 12th July 2021

Decision Type: Non-Urgent Executive Non-Key

Title: PROVISIONAL FINAL ACCOUNTS 2020/21

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

Chief Officer: Director of Finance

Ward: Borough Wide

1. Reason for report

- 1.1 This report considers the 2020/21 provisional outturn at portfolio level and Council wide as well as the potential implications for the Council's financial position in 2021/22. The purpose of the report is to give a broad overview of the financial outturn.
 - 1.2 The 2020/21 provisional outturn provides for no variation in general fund balances, subject to the recommendations in this report being agreed.
 - 1.3 The report refers to the financial impact of the Covid-19 situation which needs to be treated with some caution because of the ongoing uncertainty arising from moving out of lockdown to transition and ultimately the 'new normal'. The report seeks agreement to set aside resources to support funding housing investment as well as partly fund future Covid related cost pressures. The report also refers to the arrangements to address Government funding received during 2020/21 where the corresponding costs are charged to the Council's general fund in future years.
 - 1.3 More detailed reports will be submitted to individual PDS Committees. 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 --The Executive is requested to:

- (a) consider the provisional revenue and capital outturns for the 2020/21 financial year and the earmarked balances on the General Fund as at 31st March 2021;**
- (b) consider the variations in 2020/21 impacting on the Council's 2021/22 financial position;**
- (c) consider the comments from Chief Officers as detailed in Appendix 2;**
- (d) approve the requests for carry forwards totalling £749k (net) as detailed in Appendix 6, subject to the funding being allocated to the Central Contingency in 2021/22 to be drawn down on the approval of the relevant Portfolio Holder;**
- (e) agree the changes to the central contingency sum as detailed in para. 3.6.2 to 3.6.6;**
- (f) recommend to Council that a sum of £3.887m be set aside as a contribution to the Housing Invest to Save Fund earmarked reserve as detailed in para. 12.7;**
- (g) recommend to Council that a sum of £6.506m be set aside as a contribution to the COVID impact/recovery earmarked reserve as detailed in para. 12.6;**
- (h) note the creation of a Business Rates Adjustment earmarked reserve relating to the timing differences of grant income received and the costs charged to the Councils General Funds detailed in para 11.5 and 11.6**

2.2 Council are requested to:

- (i) agree that a sum of £3.887m be set aside as a contribution to the Housing Invest to Save Fund as detailed in para. 12.7;**
- (j) agree that a sum of £6.506m be set aside as a COVID impact/recovery earmarked reserve as detailed in para. 12.6.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None arising directly from this report
-

Corporate Policy

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

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £229m
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
-

Personnel

1. Number of staff (current and additional): 2,096 fte posts (per 2020/21 Budget) which includes 505 for budgets delegated 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 Local Government Act 2000, the Local Government Act 2002 and the Accounts and Audit Regulations 2015.
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: None arising directly from this report
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2020/21 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 our services.
-

Ward Councillor Views

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

3. Commentary

3.1 Provisional Final Outturn 2020/21

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 2020/21 is shown in the table below.

3.1.2 The 2020/21 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	2020/21 Original Budget £'000	2020/21 Latest Budget £'000	2020/21 Provisional Outturn £'000	2020/21 Variation £'000
Portfolio				
Adult Care and Health	69,416	69,116	68,569	Cr 547
Children, Education & Families	42,207	42,239	42,364	125
Environment & Community	31,136	31,296	30,416	Cr 880
Public Protection & Enforcement	2,434	2,493	2,538	45
Renewal, Recreation & Housing	14,889	14,790	14,512	Cr 278
Resources, Commissioning and Contracts Management	46,015	46,894	44,740	Cr 2,154
Total Controllable Budgets	206,097	206,828	203,139	Cr 3,689
Capital Charges, Insurance and Pension Costs	9,340	22,958	22,958	0
Non General Fund Recharges	Cr 853	Cr 868	Cr 868	0
Total Portfolio Budgets	214,584	228,918	225,229	Cr 3,689
Adj. for Carry Forwards from 2020/21 to 2021/22	0	0	749	749
Capital, Insurance & Pension a/c Requirements	Cr 7,794	Cr 21,397	Cr 21,407	Cr 10
Total Portfolio Budgets (adj. for carry forwards and accounting requirements)	206,790	207,521	204,571	Cr 2,950
Income from Investment Properties (after COVID funding)	Cr 9,720	Cr 9,720	Cr 9,720	0
Interest on General Fund Balances	Cr 3,591	Cr 3,591	Cr 5,140	Cr 1,549
Total Investment Income	Cr 13,311	Cr 13,311	Cr 14,860	Cr 1,549
Contingency Provision (see Appendix 4)	11,799	2,310	0	Cr 2,310
Other Central Items	9,616	19,511	16,969	Cr 2,542
	21,415	21,821	16,969	Cr 4,852
Subject to Approval				
- Housing Investment Fund Reserve	0	0	3,887	3,887
- COVID Reserve	0	0	6,506	6,506
	0	0	10,393	10,393
Total Variation on Services and Central Items	214,894	216,031	217,073	1,042
Prior Year Adjustments	0	0	Cr 1,430	Cr 1,430
Total Variation	214,894	216,031	215,643	Cr 388
Carry forwards from 2020/21 to 2021/22	0	0	Cr 749	Cr 749
Net Variation (after allowing for carry forwards)	214,894	216,031	214,894	Cr 1,137

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 £749k is requested to be carried forward into 2021/22.
- 3.3.2 This includes significant grant funded requests of £2,547k for Improved Better Care Fund and £1,855k for Public Health as detailed below. As in previous years it is proposed that the carry forwards are allocated to the 2021/22 Central Contingency Sum to be drawn down on the approval of the relevant Portfolio Holder.
- 3.3.3 There are also carry forward requests of various COVID grants such as Contain Outbreak Management Fund (£3,968k) and Discretionary Business Grant (£7,388k). These grants are allowed to be carried over under certain conditions to either cover expenditure in the following financial year or to be given back to Government should funding no longer be required. Further details on the COVID grants are covered in paragraph 13 of this report.
- 3.3.4 Full details of the carry forward requests are set out in Appendix 6.
- 3.3.5 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 ACH budget. The total grant available for 2020/21 was £10.27m. Not all projects have progressed as far as initially anticipated and this has led to an underspend totalling £2.547m in 2020/21. It is requested that Members agree the carry forward of this amount into 2021/22. 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 2021/22.

3.3.6 Public Health

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 has had underspends in each of the last six years. These were £141k in 2014/15, £152k in 2015/16 and £330k in 2016/17, £395k in 2017/18, £761k in 2018/19 and £358k in 2019/20. This total balance of £2,137k was carried forward to 2020/21 to fund public health initiatives as per the terms of the grant, however it was not all required. £603k was used as a contribution to school nursing and there was an underspend of £321k in 2020/21 on the grant. It is requested that the cumulative balance of £1,855k is carried forward to fund public health initiatives that may be required in 2021/22 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 The Bank of England base rate has remained at 0.10% during 2020/21, and this has led to new core investments being taken out at lower rates; this was not forecast to have a substantial impact on the amount of interest received in 2020/21 as most of the rates on the core investments were already fixed, but is projected to have an impact over the next few years as the core investments taken out at higher rates mature and are replaced by investments at lower rates.
- 3.4.2 The treasury management strategy has previously been revised to enable alternative investments of £100m which will generate additional income of around £2m compared with lending to banks.
- 3.4.3 Although the Council has seen a significant reduction in the rates offered for new fixed-term investments as well as overnight money market funds, as part of the treasury management strategy there are a number of existing longer-term fixed investments at higher rates that are cushioning the Council from the impact of the drop in interest rates.
- 3.4.4 In the last budget monitoring report to Executive, it was estimated that the 2020/21 outturn for interest earnings would be around £1,250k above budget, mainly due to the continued high level of balances available for investment as well as the high level of interest earned on the pooled funds, housing association deposits and Project Beckenham loan. The provisional outturn of £5,140k is £1.5m above budget.

3.5 Income from Investment Properties

- 3.5.1 There was a deficit of £400k for net investment income which takes into consideration the following issues:

Summary of Variations	£'000
Anticipated savings built into the 2020/21 budget not achieved	181
Shopping Parades	23
Agricultural Land & Property	17
Walnuts Shopping Centre income	78
Shortfall in Rent from Properties Purchased from Investment Fund	166
Increased Turnover Rent from Biggin Hill Airport	Cr 83
Minor variations	18
Total variations within Investment Income	400

- 3.5.2 The £400k deficit is COVID related and therefore is contained within the COVID expenditure detailed in paragraph 4 of this report.

3.6 Central Contingency Sum

- 3.6.1 The 2020/21 Central Contingency contained various provisions which reflected uncertainty around potential costs, grants and service pressures. There is a total net variation of £2.3m relating to provisions that were not required in the 2020/21 financial year. Further details of the allocations from, and variations in, the 2020/21 Central Contingency are included in Appendix 4.
- 3.6.2 In 2019/20 a total drawdown of up to £100k was agreed regarding a specific complex child care case, of which £28k was drawn down in that year reflecting costs incurred to 31 March 2020. An additional £67k is requested to fund further costs incurred in 2020/21

- 3.6.3 In Q3 an amount of £208k was returned to contingency based on the projected underspend on this budget at that time. However, actual year end costs were higher than this earlier estimate with the final underspend of £154k, meaning £54k needs to be returned to the revenue budget.
- 3.6.4 The Apprenticeship Levy was introduced in April 2017, and charged at a rate of 0.5% of employer's pay costs. The levy payment varies monthly depending on employee earnings and employee numbers (fte). There has been an increase in these elements in comparison to previous financial years resulting in an additional unfunded cost of £42k against the budget. Therefore it is requested that £42k be allocated from Central Contingency to fully fund the cost of the Apprenticeship Levy in 2020/21.
- 3.6.5 As part of the budget setting process in 2020/21, £500k was set aside in the event that deficits in Education funding could not be met. As core education funding was underspent overall and the DSG funded element of the budget cannot be offset by core funding without Secretary of State approval, the funding was returned to the contingency.
- 3.6.6 A sum of relating to the use of grant of £109k has been returned to the contingency. This is made up of the following:-
- a) A sum of £31k is to be returned to central contingency which relates to the retention of a central government grant regarding Universal Credit advice. The cost of this arrangement has been funded from existing budgets and, therefore, the grant equivalent is being returned to the central contingency.
 - b) GLA grants of £78k were received to fund additional property inspection work and related activities, to maximise business rates and council tax revenues in LB Bromley. However as the cost of the works undertaken during the year have been funded from existing budgets, the grant equivalent is being returned to the central contingency.
- 3.6.7 As shown elsewhere in this report, it is proposed that the overall underspends remaining, including those in the Central Contingency, will be mainly utilised to provide one-off funding for a Housing Invest to Save Fund. This reflects an approach that has been used by the Council in previous years to utilise such monies for future investment to deliver savings and a more sustainable budget position.

3.7 Earmarked Reserves

- 3.7.1 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 2021/22 Council Tax report to Executive on 10th February 2021.
- 3.7.2 A summary of the actual balances held in earmarked reserves as at 31st March 2021 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.
- 3.7.3 Full details of the current position on the Growth and Investment Fund are included in the Capital Programme Outturn 2020/21 report elsewhere on the agenda.
- 3.7.4 As indicated in this report the Council received unprecedented additional non recurring funding after its 2020/21 Budget was set to support businesses (rate relief and support grants), residents and key services. Councils have seen significant financial impact from many different aspects of their local roles, both from the delivery of services and as a conduit for central government to support local businesses.

3.7.5 An impact of this significant funding, including monies received later in the financial year, has been that in many cases the year end position reflects the early advancement of support from Government. In a number of cases the impact of this support is that these are held in reserves at year end to be deployed in 2021/22 to support services and in reality is simply advanced cashflow. This creates a significant increase in reserves relating to monies that will be utilised in 2021/22. To illustrate this, the Council received funding from Government of £63,407k in 2020/21 for business rate relief, but the costs are required to be accounted for in 2021/22 which will result in that reserve being fully drawn down in that year.

3.7.6 A report elsewhere on the agenda titled 'IT Services Procurement' requests a contribution of £197k from underspends in 2020/21 which has been assumed in this report.

3.8 Prior Year Adjustments resulting in a Net Credit Provision of £1,430k

3.8.1 Financial provisions were made in prior years accounts for Learning Disability, Mental Health Services and National Minimum Wage for sleep-ins, and an element of these are no longer required and have therefore been released in 2020/21 resulting in a credit of £706k

3.8.2 A number of provisions were set up in previous financial years in respect of historic highways rechargeable works and vehicles crossover balances. A recent review of these provisions has concluded that a number of the provisions are no longer required and that £79k can be released

3.8.3 A number of provisions were set up in previous financial years in respect of backdated utility costs that were potential liabilities to LBB following new contract arrangements. A recent review of these provisions has concluded that the risk of this has reduced allowing an amount of £339k to be released.

3.8.4 A provision of £171k was made for a potential payment to Transport for London. However, following a review, the service has confirmed that this potential risk no longer exists and therefore this provision is no longer required.

3.8.5 A sum of £298k relates mainly to sundry creditors raised at the end of 2019/20 based on estimates made at the time for the anticipated costs of the Exchequer contract incentive scheme. Subsequently, these anticipated costs did not materialise enabling these provisions to be credited back to the revenue account.

3.8.6 A credit provision of £163k was made at the end of 2019/20 to reflect the projected financial impact of the early termination of the TFM contracts. However, the final settlement is not expected to enable recovery of these costs as original anticipated.

3.9 Business Rate Pool

3.9.1 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 and it provided additional income of £5.1m. The pilot continued into 2019/20 but reflecting a reduced share (75%) of business rates, generating income of £2.2m in 2019/20.

3.9.2 The Government did not extend the pilot into 2020/21, however groups of Council's were permitted to create pools where a financial benefit existed. Consequently, a pan-London business rates pool was arranged, which Bromley joined, although with much reduced incentives for individual Council's. Provisionally, this is expected to generate a zero net gain/loss of income in 2020/21.

3.9.3 Owing to the financial risks presented by the pandemic, it was decided that the London Pool will not continue into 2021/22.

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 2021 as detailed below:

	2020/21 Provisional Outturn £'000
General Fund Balance as at 1st April 2020	Cr 20,000
Net variations after allowing for contributions to earmarked reserves as detailed in the report	Cr 1,065
	<u>Cr 21,065</u>
Adjustment to Balances	
Carry Forwards (funded from underspends in 2019/20)	1,065
General Fund Balance as at 31st March 2021	<u>Cr 20,000</u>

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:

	2020/21 Budget £'000	2021/22 Impact £'000
Adult Care & Health Portfolio		
Assessment & Care Management - Care Placements	23,974	2,495
Learning Disabilities - Care Placements, Transport & Care Management	37,084	2,064
Mental Health - Care Placements	7,211	436
		<u>4,995</u>
Children, Education & Families Portfolio		
Children's Social Care	36,032	4,138
		<u>4,138</u>
Renewal, Recreation and Housing		
Housing Needs	8,366	1,124
		<u>1,124</u>
TOTAL		<u>10,257</u>

5.2 A significant part of the above has been reflected in the 2021/22 financial year as part of the budget setting process. The main increases in the full year effect compared to the last monitoring report are in the area of adult and children's social care. Additional full year costs of £5.6m were assumed in the 2021/22 budget and officers will continue to explore options to mitigate these additional costs.

- 5.3 These costs will not fully reflect the medium and longer term impact of the Covid pandemic which creates an added uncertainty in future and potential higher cost pressures. Combined with the ongoing need for 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 2021/22 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 September (see 14.1).

7. CAPITAL EXPENDITURE AND RECEIPTS

7.1 Capital Expenditure

- 7.1.1 The final capital outturn for the year was £19.7m, compared to the final revised budget of £46.0m.
- 7.1.2 The total net variation is Cr £26.3m, which is primarily due to slippage in the Renewal, Recreation & Housing Portfolio (Cr £17.3m) and the Children, Education & Families Portfolio (Cr £4.0m). Further slippage of £15.0m 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 £11.3m. Full details of the capital outturn are included in the Capital Programme Outturn 2020/21 elsewhere on this agenda.

7.2 Capital Receipts

- 7.2.1 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 2020/21 for new capital receipts from asset disposals was £1.9m and was lower than the estimated figure reported to the Executive in February 2021 (£3.9m).

8 SECTION 106

- 8.1 An update on balances as at 31st March 2021 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 due course.

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 overspend of £4,022k on DSG funded services, with a total to carry forward deficit to 2021/22 of £1,140k. Officers are currently working on a recovery plan in advance of any expectation of such from the DfE and this plan will be considered in due course. Further details of the in-year variation and plans for the amount carried forward are provided in Appendix 9.

10 ACADEMIES

- 10.1 During the 2020/21 financial year no schools 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. However no schools converted and the remaining schools balances have increased from £1,739k to £2,550k during 2020/21.
- 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 provisional Council Tax surplus on the fund in 2020/21 of £3m (2019/20: £6.5m surplus). A one-off sum of £0.6m will be allocated to the GLA and £2.4m to the Council in 2021/22.
- 11.3 There is an overall deficit of £57.4m (2019/20 £1.1m deficit) relating to the collection and distribution of Non-Domestic Rates under the Business Rates Retention Scheme. This is owing to irrecoverable losses and the granting of significant reliefs during the pandemic for which the Council's General Fund has been compensated through Section 31 grants. Of the deficit, £21.2m will be allocated to the GLA, £19m to Central Government and £17.2m to Bromley. The Council will be mainly compensated for this deficit specifically where it relates to business rates relief where separate funding has been provided.
- 11.4 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.
- 11.5 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. During 2020/21, Councils received nationally approximately £10bn in grants to offset the reliefs given to businesses during lockdown. These grants, received in relation to 2020/21, will not be discharged against the Collection Fund deficit until 2021/22, thereby inflating earmarked reserves at the end of the 2020/21 financial year by £63.4m, as shown in Appendix 7 (see also para 3.7.5).
- 11.6 The Council has also received £821k by way of compensation from the government of irrecoverable business rates losses under its 75% Tax Income Guarantee Scheme. Similarly, the Council also received £1.841m during 2020/21 to help ease the Council Tax burden on the vulnerable. Since the associated costs will accrue in the Collection Fund during 2022/23, the total amount of £2.662m has been set aside in a Collection Fund Deferred Costs earmarked reserve for release during that year.

11.7 A combination of 11.5 and 11.6 above requires the creation of earmarked reserves to deal with the timing between receipt of the grant funding and the future year impact of the associated costs/income losses being met by the Council's general fund. This does create an added complexity and can make comparisons of the Council's level of earmarked reserves more problematic given the one off nature of these significant changes.

12 FINANCIAL CONTEXT AND SUPPORT FOR HOUSING AND THE 'NEW NORMAL'

12.1 The 2021/22 Council Tax report to Executive on 10th February 2021 identified the latest financial projections and a future year budget gap of £14.1m per annum by 2024/25. 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 over £100m 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 The Council has received significant financial support from Government during the Covid pandemic as detail in the report with funding provided in 2020/21 and 2021/22.

12.4 It is clear that there are potential additional cost pressures facing the Council due to the impact of the pandemic which includes for example:

- Ongoing impact of increase in referrals for children social care;
- 'Long Covid' effect on adult social care activity and costs;
- Potential increase in homelessness costs following end of furlough and national eviction ban;
- Reduced income remaining from car parking and other income sources;
- Ongoing challenges relating to debt recovery (partly due to required delay enforcement action for income recovery);
- Ongoing impact of significant increase in working age council tax support claimants (increase of around 12% to date).

12.5 Some of these changes have been incorporated in the 2021/22 Budget but there remains uncertainty about the ongoing impact arising from the 'new normal'. The Government have provided unringfenced general funding of around £10m in 2021/22, which is a one year settlement figure. The Government have indicated that there will be a Fair Funding review and combined with the Spending Review and business rate review will determine 2022/23 local government finance settlement. However, the Government has not committed to further funding in 2022/23.

12.6 Given the uncertainty and the cost pressures that will impact in 2022/23 and future years from the impact of the pandemic it is proposed that the sum of £6.506m remaining in the General Covid grant is set aside as an earmarked reserve. These monies could be utilised to support the Council in 2021/22 but are expected to be utilised from 2022/23, in order to support the medium to longer term impact of COVID-19 situation ('new normal'). They may also be required to address any ultimate income losses. It is also important to recognise the full year costs of £10.3m identified in section 5.1 which exceeds the amount reflected in the 2021/22 Budget which creates a further cost pressure which needs to be addressed in future years.

- 12.7 Members will be aware than 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. This report includes proposals that an additional sum of £3.887m is set aside as part of a Housing Invest to Save earmarked reserve. These monies can be used to contribute towards investment in housing to deliver savings on the council's future revenue budget.
- 12.8 The future utilisation of these reserves will require the approval of the Executive.
- 12.9 Although the Council's 2021/22 Budget and four year financial forecast reported to Executive in February 2021 includes costs pressures relating to the impact of Covid, such estimates, at that stage, need to be treated with some caution. The Council's four year financial forecast will be updated in due course to reflect the impact of the provisional 2020/21 outturn, budget monitoring during 2021/22 and any to reflect more details of the medium to longer term impact of COVID-19 situation ('new normal') are known.

13. COVID FUNDING

- 13.1. The funding received for COVID during 2020/21 is outlined in the table below:-

<u>COVID Grant</u>	<u>Amount</u> <u>£</u>
COVID-19 Government General Grant tranches 1, 2, 3 & 4	22,877,793
Income loss compensation grant	5,359,000
Infection Control Fund (ASC)	2,179,000
Test and Trace Service Support Grant	1,369,923
Infection Control Fund Round 2 (ASC)	2,356,490
Business Support Grants (initial schemes)	49,540,000 *
Mandatory Business Support Grants (subsequent schemes)	40,995,240 *
Discretionary Business Support Grants (subsequent schemes)	10,482,547
Covid 19 Hardship Fund	1,841,000
Next Steps Accommodation Grant (Rough Sleepers)	391,250
Emergency Assistance Grant	279,000
Compliance and Enforcement Grant	144,739
Busienss Grant Schemes New Burdens Funding	336,475
Contain Outbreak Management Fund	8,023,541
Reopening High Streets Safely Fund	267,000
COVID Winter Grant Scheme	773,000
Workforce Capacity Grant	595,228
Rapid Testing Fund	529,966
Wellbeing for Education	39,258
Community Testing Programme	686,700
National Leisure Recovery Fund	761,542
Support for the Clinically Extremely Vulnerable	178,996
Support for the Clinically Extremely Vulnerable 2	275,314
Emergency Active Travel Fund	9,000
Support to BIDS	61,852
Test and Trace Mandatory Support Payments	338,500 *
Test and Trace Discretionary Support Payments	334,000
Holiday Activities and Food Programme	81,330
COVID-19 Rough Sleeping Contingency Fund	6,000
London Streetspace Fund (Capital)	346,080
Emergency Active Travel Fund (Capital)	41,000
Business Rates Relief Schemes	55,030,000
	206,530,764
NHS Contributions - Hospital Discharge support etc.	3,033,904
Total COVID related Grant and contributions	209,564,668

* These grants are not included in the Council's General Fund as the Council has effectively acted as an 'Agent'. As 'Agent' we receive the funding and just pass through the funding to organisations or individuals under the terms of the grant.

13.2 Expenditure

13.2.1 The total amount of COVID grant and contribution was £209.6m for 2020/21. The above list includes capital and revenue grants. Any capital grants will be included within the Council's capital programme.

13.2.2 There is also a contribution from the NHS to support costs relating to hospital discharge.

13.2.3 Some grant received can be carried forward, conditions allowing to be spent in the following year or funding has been given in advance as the grant conditions span more than one financial year. This includes for example, COMF, Additional Restrictions Grant and Holiday Activities and Food grants. Full details of the grants being carried forward are contained in Appendix 6.

13.2.4 COVID pressures are unlikely to completely subside in the short to medium term. There are indications of ongoing pressures because of COVID manifesting themselves in the 2021/22 financial year. These pressures should they arise will be reported through future budget monitoring papers to the Executive.

14 STATUTORY ACCOUNTS

14.1 Under revised regulations issued by MHCLG the draft statutory accounts should be signed by the Director of Finance by 31st July. The public inspection period is required to commence no later than 1st August with a duration of 30 working days. The publication deadline for the audited accounts is 30th September. The results of the audit will be reported to the General Purposes and Licensing Committee.

15 IMPACT ON VULNERABLE ADULTS AND CHILDREN

15.1 The 2020/21 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.

16 POLICY IMPLICATIONS

16.1 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.

16.2 The "2020/21 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2021/22 to minimise the risk of compounding financial pressures in future years.

16.3 Chief Officer's comments are included in Appendix 2.

17 FINANCIAL IMPLICATIONS

17.1 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)	2021/22 Council Tax – Executive 12 th February 2020; 2020/21 Council Tax – Executive 10th February

	<p>2021; Draft 2020/21 Budget and Update on Council's Financial strategy 2021/22 to 2024/25 - Executive 13th January 2021; Budget Monitoring Reports in 2020/21 – Executive; Financial Management Budget Monitoring files across all Portfolios; Provisional Final Accounts 2019/20 - Leader May 2020; Treasury Management Annual Investment Strategy 2020/21 – Council 1st March 2021; Treasury Management Quarterly Performance reports – Executive and Resources PDS Committee; Capital Programme Outturn 2020/21 (elsewhere on the agenda).</p>
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GENERAL FUND - PROVISIONAL OUTTURN FOR 2020/21

Portfolio	2020/21 Original Budget £'000	Budget Variations allocated in year # £'000	2020/21 Latest Approved Budget £'000	2020/21 Provisional Final Outturn £'000	Variation	Variation previously reported Exec £'000
Adult Care & Health	69,416	Cr 300	69,116	68,569	Cr 547	Cr 591
Children, Education & Families (incl. Schools' Budget)	42,207	32	42,239	42,364	125	370
Environment & Community	31,136	160	31,296	30,416	Cr 880	Cr 372
Public Protection & Enforcement	2,434	59	2,493	2,538	45	0
Renewal, Recreation & Housing	14,889	Cr 99	14,790	14,512	Cr 278	Cr 349
Resources, Commissioning & Contracts Management	46,015	879	46,894	44,740	Cr 2,154	Cr 568
Total Controllable Budgets	206,097	731	206,828	203,139	Cr 3,689	Cr 1,510
Capital, Insurance & Pensions Costs (see note 2)	9,340	13,618	22,958	22,958	0	0
Non General Fund Recharges	Cr 853	Cr 15	Cr 868	Cr 868	0	0
Total Portfolios (see note 1)	214,584	14,334	228,918	225,229	Cr 3,689	Cr 1,510
Adjustment for Carry forwards from 2020/21 to 2021/22	0	0	0	749	749	0
Reversal of net Capital Charges (see note 2)	Cr 7,794	Cr 13,603	Cr 21,397	Cr 21,407	Cr 10	0
	206,790	731	207,521	204,571	Cr 2,950	Cr 1,510
Central Items:						
Income from Investment Properties	Cr 9,720	0	Cr 9,720	Cr 9,720	0	0
Interest on General Fund Balances	Cr 3,591	0	Cr 3,591	Cr 5,140	Cr 1,549	Cr 1,250
Total Investment Income	Cr 13,311	0	Cr 13,311	Cr 14,860	Cr 1,549	Cr 1,250
Contingency Provision (see Appendix 4)	11,799	Cr 9,489	2,310	0	Cr 2,310	Cr 1,140
Other central items						
Utilisation/Set Aside of Prior Year Collection Fund Surplus	5,873	0	5,873	5,873	0	0
New Homes Bonus Support for Revenue	1,612	0	1,612	1,612	0	0
Contribution to Carbon Neutral Initiatives Fund	875	0	875	875	0	0
Housing Investment Fund reserve	0	9,895	9,895	9,895	0	0
Provision for COVID related service pressures 2021/22	0	0	0	3,767	3,767	3,767
Unused COVID general grant not utilised	0	0	0	Cr 6,506	Cr 6,506	0
Levies	1,256	0	1,256	1,256	0	0
Hardship Fund and Tax income Guarantee	0	0	0	Cr 2,662	Cr 2,662	0
Collection Fund deferred costs reserve (resultant costs to be charged to the General Fund in future years)	0	0	0	2,662	2,662	0
IT Services procurement	0	0	0	197	197	0
Government funding for business rate relief (costs incurred in future years)	0	0	0	Cr 63,407	Cr 63,407	0
Business rates adjustment account	0	0	0	63,407	63,407	0
Total other central items	9,616	9,895	19,511	16,969	Cr 2,542	3,767
Carry Forwards from 2020/21 to 2021/22	0	0	0	Cr 749	Cr 749	0
Prior Year Adjustments						
Social care placements	0	0	0	Cr 706	Cr 706	Cr 584
Utility Costs Provision	0	0	0	Cr 339	Cr 339	Cr 339
TfL Repayment Provision	0	0	0	Cr 171	Cr 171	0
Highways Rechargeable Works & Vehicle Crossover Balances	0	0	0	Cr 79	Cr 79	Cr 84
Revenues and Benefits Provisions	0	0	0	Cr 298	Cr 298	0
TFM Income Provision	0	0	0	163	163	0
Total Prior Year Adjustments	0	0	0	Cr 1,430	Cr 1,430	Cr 1,007
Subject to approval at Executive 30th June 2021						
COVID Impact/Recovery Reserve	0	0	0	6,506	6,506	0
Housing Investment Reserve	0	0	0	3,887	3,887	0
	0	0	0	10,393	10,393	0
Total all central items	8,104	406	8,510	10,323	1,813	370
Bromley's Requirement before balances	214,894	1,137	216,031	214,894	Cr 1,137	Cr 1,140
Carry Forwards from 2019/20 (see note 3)	0	Cr 1,065	Cr 1,065	0	1,065	1,140
Adjustment to Balances	0	0	0	0	0	0
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	214,894	72	214,966	214,894	Cr 72	0
Cr 40,426	0	Cr 40,426	Cr 40,426	0	0	
New Homes Bonus	Cr 1,612	0	Cr 1,612	Cr 1,612	0	0
New Homes Bonus Topslice	0	Cr 72	Cr 72	0	72	0
Collection Fund Surplus	Cr 5,873	0	Cr 5,873	Cr 5,873	0	0
Bromley's Requirement	166,983	0	166,983	166,983	0	0
GLA Precept	43,842	0	43,842	43,842	0	0

Council Tax Requirement	210,825	0	210,825	210,825	0	0
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# Budget Variations allocated to portfolios in year consists of:	£'000	
1) Carry forwards from 2019/20	1,065	(see note 3)
2) Capital, Insurance and Pension Accounting requirements	13,603	(see note 2)
3) Allocations from the central contingency provision	Cr 334	(see Appendix 4)
	<u>14,334</u>	

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2020/21 Original Budget £'000	Budget Variations allocated in year # £'000	2020/21 Latest Approved Budget £'000	2020/21 Projected Outturn £'000		Variation £'000		Variation previously reported £'000
People Department	127,811	10,110	137,921	136,878	Cr	1,043	Cr	633
Place Department	64,298	4,119	68,417	67,143	Cr	1,274	Cr	845
Chief Executive's Department	22,475	105	22,580	21,208	Cr	1,372	Cr	32
	<u>214,584</u>	<u>14,334</u>	<u>228,918</u>	<u>225,229</u>	Cr	<u>3,689</u>	Cr	<u>1,510</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 2019/20**

Carry forwards from 2019/20 into 2020/21 totalling £1,140k were approved by Council and the Executive. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2019/20" report.

Comments from the Executive Director of Environment and Community Services

(Environment & Community Portfolio)

Like the rest of the Council, the Covid-19 pandemic and resultant restrictions have impacted on economic activity and are having a significant impact on many of the Environment and Community Services Portfolio's services. As a result, the Portfolio is projecting a significant overspend which is reported separately. Excluding the impact of Covid-19, the Portfolio outturn position for the year was an overall underspending of £880k.

In respect of Covid-19, the main service areas impacted are as follows:

- Parking services were most severely affected during the initial lockdown restrictions, with a 95% reduction in parking use during the early weeks of the year and a corresponding decrease in the level of enforcement. There was some level of recovery over the summer and early autumn, however the further restrictions since November again impacted on activity which remained significantly lower than would be expected when the budget for the year was set. Multi-storey car parks only achieved 29% of their income target, whereas surface car parks achieved 46% and on street parking achieved 49%, in line with what was anticipated at Quarter 3.
- Waste services were disrupted in the early weeks of the financial year, with some services suspended although these soon returned to normal. However, the effect of more people being at home has significantly increased volumes of residual waste to be disposed, and trade waste income has also been severely affected.
- Revenue from fees and charges is particularly severely affected across all services with marked reductions in income from market rents, street traders licences and streetworks.

(Public Protection and Enforcement Portfolio)

The Public Protection and Enforcement Portfolio has had to meet the significant unbudgeted costs of the Council's contribution to London-wide emergency mortuary provision. There has been a further impact on the Council's own services due to the impact of an increased number of Covid-19 deaths on the costs of the Coroner's and mortuary services, together with expected reduction in income from public protection services. However, excluding the impact of Covid-19, there were no underlying significant variations.

Analysis of Risks

– Environment & Community Portfolio

Although Covid-19 restrictions have begun to be eased according to the Government's roadmap, the delay in the lifting of all remaining restrictions and the rise in new variant cases means that uncertainty in service planning and delivery will remain for the foreseeable future. Nor is it yet clear what the wider ongoing economic impacts will be and how this will affect services later in the longer term.

In respect of waste, the new contracts have been in place since April 2019. Contract costs are subject to volatility as any growth in the number of properties and tonnages collected will incur additional expenditure, due to the extra collections that would be required and the additional waste that is generated. Any fluctuations on the market prices will affect the income from sales of recyclates income. Another potential risk area is recycling paper income. Wet weather affects the quality of the paper collected and therefore may lead to issues arising with the processing of it as 'paper' and a loss of income. Furthermore, monitoring this year has demonstrated the effect of changing economic and working patterns and it is not possible to predict the extent to which some of these trends will become embedded.

Over and above the current impact of Covid-19, there continues to be the risk in Parking from fluctuations in both income from On and Off Street Parking as usage varies, as well as changes in enforcement income. Income levels are difficult to predict as accurately as levels of parking are dependent on a wide variety of factors of which are some are beyond the Council's control.

Many of the Portfolio's services can be affected by severe weather events which cannot be predicted. In particular, the highways winter service, grounds maintenance and trees.

– 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.

Resources, Commissioning & Contract Management Portfolio

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

Overall the variance for the Corporate Services Division is £106k underspent. However, within this Legal Services is a net overspend of £306k due to additional counsel fees, court costs and increased levels of staffing relating to caseloads, mainly within children's services.

Analysis of Risks

The variance for legal is an overspend of £306k. The majority of the overspend is due to additional counsel fees and court costs relating to caseloads within children's services, but also due to increased numbers of commercial cases.

Caseloads in children's services continue at a higher level than has previously. Historically caseloads had been c48 new cases per annum. In 2017/18 74 sets of proceedings were issued, which was a downward trend from 2016/17 when there were 98 sets of new childcare cases. In 2019/20, there were approximately 70 cases and a similar number is expected this year. A minimum court fee of £2,025 is payable on each case which means even with an additional 22 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. The team have also been dealing with an upward trend in complex Deprivation of Liberty (DOLS) matters.

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

Comments from the Director of Adult Social Care

Staff within social care have continued to largely work remotely as the pandemic has continued. Demand for assessments resulting in support have continued to increase and we have kept pace with the increase in demand to discharge patients from acute settings. Our year-end financial position is positive, sadly in part, due to the impact of Covid on a number of our most vulnerable service users. We are now moving into the endemic phase of the infection and are monitoring progress of the new variants.

As services have re-opened we have continued to provide support to providers of care in order to assist them with delivering safe services.

Relationships with partners have continued to be strong and we have jointly used the learning from the pandemic and embedded this in our practice and forward planning. Health have committed to fund discharge arrangements for the first quarter of the new financial year, and we are jointly working to find a sustainable way of funding new discharge arrangements.

The Department successfully facilitated the transfer of available Government Grants to providers and kept in regular contact with them to monitor the impact on their staffing and financial levels. This ensured sufficient supply of services throughout the entire pandemic.

Work continues to deliver savings identified through the Transformation programme and progress is monitored on a monthly basis. New targets are being developed to help offset the overall pressures on the Council's budget as we move out of the pandemic.

Comments from the Director of Housing, Planning and Regeneration

£465k of growth was included in the housing budget for 2020/21 to reflect the continuing pressures in relation to homelessness and the provision of temporary accommodation. A total of £1,342k savings have also been included to mitigate these pressures.

Whilst approaches remain high, the ongoing supply of acquired properties and prevention work has continued to slow the rate of growth in nightly paid accommodation placements reducing the average increase from 15 per to 10 per month. This, however, relies on the supply of acquired properties continuing to come through. This results in a projected £314k overspend on temporary accommodation with a £186k overspend on housing overall. As has been reported work is ongoing to increase the supply of affordable housing to continue to mitigate and reduced the current pressures relating to temporary accommodation.

A substantial part of Planning Services' work attracts a fee income for the Council, for example the planning application fees. The fee income and volume of work reflects the wider economic circumstances affecting development pressures in the Borough. There is a risk of income variation beyond the Council's immediate control; however, trends are regularly monitored in order that appropriate action can be taken. Action has successfully been taken to negate the risk of Government Designation for Special Measures due to Planning performance for the current year. However, this is based on the actions identified being implemented to reduce the risk of Government Designation in future years.

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 consultant's advice which creates additional costs.

The key risks in the Renewal, Recreation and Housing Portfolio continue to be:

- i) Increased homelessness and the associated costs particularly relating to the increased demand for placements across London.
- ii) Increased rent arrears arising from roll out of Welfare reform and impact of COVID
- iii) Reduced vacant housing association properties coming forward for letting
- iv) Increased maintenance and repairs costs in relation to the travellers site required to maintain health and safety standards
- v) Increase in planning applications and need to ensure application processing is sufficiently resourced
- vi) Increases being seen in construction and maintenance costs

Finally, the immediate and ongoing impacts of the Covid-19 pandemic on budgets are only now becoming apparent. Significant losses in income, in particular from commercial rents, are expected as town centres have been severely affected during lockdown restrictions. There is also likely to be an increase in homeless presentations and families requiring temporary accommodation as the current moratorium on evictions is eased later in the year. The full impact in 2020/21 and future years is difficult to assess at this stage and will be largely dependent on the easing of restrictions and recovery of the wider economy.

Comments from the Director of Childrens Services

The Children, Education and Families Portfolio has an overspend of £125,000 for the year

The Education Division has an underspend of £131k. This is mainly to do with SEN transport and staffing costs.

The DSG overspend in year is £4,021k. This will be offset by the £1,733k carried forward from 2019/20. There is also an adjustment of £301k of additional income to the carry forward figure for Early Years Prior Year Adjustment. It was also agreed to use £252k of the brought forward balance to support the services in-year. It was also agreed to use the £1,100k of this years DSG allocation that was set aside to support future years pressures as pressures were emerging faster than anticipated. This gives us an estimated DSG deficit balance to be carry forward of £1,139k into the new financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements.

Officers are currently working on a recovery plan in advance of any expectation of such from the DfE and this plan will be considered in due course.

In Children's Social Care the overspend is £256k.

The ongoing impact of C19 on Children Services continues especially in respect of contacts into our MASH – these are currently running at around 1,000 contacts per month compared to around 600 in April 20. The result of pandemic in relation to backlog in family proceedings resulting in 104 children waiting outcomes. Many of these children's final care plans for permanency are either SGO or Adoption resulting in around 30 children who will come out of the system and would be closed to the LA. The fallout from this pandemic will continue for some considerable time to come particularly in relation to the increasing referral rate and complexity of the children coming into care. The increase in mental health and well being amongst young people has resulted nationally in increase in suicide and suicidal ideation and with the lack of CAMHS and adult mental health services the risk and support is falling to the Local Authority. We continue to see the significant impact on the most vulnerable families and our efforts to safeguard them but the cost of supporting them through the last year and what will inevitably be the ripple effect in 21/22. We continue to concentrate on ensuring that children are safeguarded throughout the current crisis and as we move forward over the next year to 18 months. Of course, if children come into the system and are unable to be reunified within 6 months the likelihood is that these young people will remain long term and move through to increase the numbers and cost as care leavers up until the age of 25 years. We are now back to business as usual in visiting families physically with very few virtual visits which usually occur if families are isolating.. Staff adapted their ways of working and now they are physically visiting families they are able to assess more fully which is identifying the fragility of some families requiring support. Our Early intervention service for the first time ever has seen waiting lists and as such have pivoted to develop a light touch assessment for some families to ensure that they are supported, preventing crisis and routes into the statutory services.. As stated cases progressing through courts continue to be delayed with final hearings being scheduled for the end of the year or into 2022 We currently have around 104 children within the court system. Courts continue to be cautious around final hearings as these too are heard virtually and often subsidiary orders are being made such as Supervision Orders which entails the LA continuing to offer resources but in addition manpower of a social worker for a year which results in increase caseloads – ordinarily such orders would be far less and alternative orders granted such as Family Assistance orders which last only 6 months. These cautious decisions leaves the LA (and children) in challenging situations and delaying permanency moves thus increasing the cost of placements.

Many of the families referred in recent months have not been known to the Local Authority before and is an indication of the impact of Covid where prior they would be reliant on families, friends, networks and community – such referrals are not light touch but many have resulted in immediate escalation through to the courts particularly where immobile babies and young children are being harmed.

There has been increased requests for support particularly in CWD and with slow opening of the respite provision managed by health partners this has increased demand on additional support packages to try and prevent children with complex disabilities entering the care system. One child entering the system can be at a conservative cost of 300 – 400K per year. We were cautious in relation to closing cases which was acknowledged as good practice by Ofsted, and where children in ordinary circumstances may have been removed from plans multi agency professionals and families have a heightened anxiety requesting the LA to remain involved. During the second wave as predicted this continued and whilst we review all cases regularly this is likely to continue until the summer 2021

However with the new variant taking hold families and children are again being exposed to further stresses and until all support and community services fully open and can offer not only a wide range of universal support but higher numbers in relation to group settings this will continue.

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

- i) Recruitment and retention of permanent staff/ ability to recruit skilled staff for the posts vacant and competitive salaries being paid at this time
- ii) Limited supply and increasing costs of residential placements – including the specialist placements for very complex young people. For example Bromley has had in the last 2 years reduced its use of residential mother and baby placements but we have seen an increase in this area with the courts directing such placements which impacts on the cost of our placements budget . The cost of such placements is high and then with the delay to final hearing families are being retained in these placements beyond the assessment
- iii) Increase in the Looked After Population due to C19 and families being unable to cope.
- iv) Increased complexity of children (SEND).
- v) Impact of Social Work Act 2017 implementation.
- vi) Income from partner agencies being redeployed and reducing their contact with families leaving the LA solely responsible.
- vii) Long term closure of short breaks throughout 2020/21 resulting in demand and cost pressures.
- viii) Shortage of local school places.
- ix) Increasing High Needs Block expenditure not matched by a commensurate increase in Government Grant
- x) Continuing impact of 2014 Children and Families Act extending the age range to 25 for Education, Health and Care Plans.
- xi) Responsibility of Virtual School (VS) in relation to supporting any child adopted living within Bromley entitled to support – this support can be requested from families and schools and with the Covid this has increased significantly stretching the VS team

Adult Care and Health Portfolio Budget Monitoring Summary

2019/20 Actuals £'000	Division Service Areas	2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
PEOPLE DEPARTMENT								
Adult Social Care								
23,910	Assessment and Care Management	22,253	21,170	20,905	Cr 265	1	Cr 230	2,495
Cr 850	- Better Care Funding - Discharge to Assess	0	0	0	0		0	0
120	Direct Services	149	110	83	Cr 27	2	Cr 27	0
323	Quality Assurance & Safeguarding	1,533	1,578	1,505	Cr 73	3	Cr 110	0
36,120	Learning Disabilities	36,506	37,084	37,198	114	4	79	2,064
7,051	Mental Health	7,211	7,211	7,734	523	5	437	436
Cr 770	Better Care Funding - Protection of Social Care	0	0	Cr 180	Cr 180		Cr 173	0
Cr 900	Better Care Funding - Additional Pressures	0	0	0	0		0	0
0	CCG Support for Social Care	0	0	Cr 535	Cr 535	6	Cr 535	0
65,004		67,652	67,153	66,710	Cr 443		Cr 559	4,995
Integrated Commissioning								
2,354	Integrated Commissioning Division	2,141	2,120	2,019	Cr 101	7	Cr 32	0
1,049	Information & Early Intervention	1,158	1,163	1,096	Cr 67	8	Cr 63	0
Cr 1,049	- Net Expenditure	Cr 1,158	Cr 1,163	Cr 1,096	67		Cr 63	0
23,764	Better Care Fund	22,876	22,946	22,835	Cr 111	9	0	0
Cr 23,823	- Expenditure	Cr 22,902	Cr 22,972	Cr 22,859	113		0	0
11,471	Improved Better Care Fund	8,794	10,270	10,269	Cr 1	10	0	0
Cr 11,471	- Expenditure	Cr 9,004	Cr 10,270	Cr 10,269	1		0	0
3,593	Health Support for Social Care	0	0	0	0		0	0
Cr 3,593	- Expenditure	0	0	0	0		0	0
	- Income	0	0	0	0		0	0
2,295		1,905	2,094	1,995	Cr 99		Cr 32	0
Public Health								
14,181	Public Health	14,629	14,840	14,835	Cr 5		0	0
Cr 14,320	Public Health - Grant Income	Cr 14,770	Cr 14,971	Cr 14,971	0		0	0
Cr 139		Cr 141	Cr 131	Cr 136	Cr 5		0	0
67,160	TOTAL CONTROLLABLE ADULT CARE & HEALTH	69,416	69,116	68,569	Cr 547		Cr 591	4,995
Cr 1,121	TOTAL NON CONTROLLABLE	302	3,400	3,400	0		74	0
4,865	TOTAL EXCLUDED RECHARGES	5,390	5,150	5,150	0		0	0
70,904	TOTAL ADULT CARE & HEALTH PORTFOLIO	75,108	77,666	77,119	Cr 547		Cr 517	4,995

Reconciliation of Latest Approved Budget

£'000

2020/21 Original Budget

75,108

Carry forwards

Better Care Fund

- expenditure

70

- income

Cr 70

Improved Better Care Fund

- expenditure

2,766

- income

Cr 2,766

Public Health Grant

- expenditure

1,534

- income

Cr 1,534

Repairs & Maintenance

29

Grants included within Central Contingency

PrEP grant (Public Health)

- expenditure

52

- income

Cr 52

Adult Social Care grant-related expenditure (Improved Better Care Fund)

210

Other

Return of Prior Year National Living Wage Funding to Contingency

Cr 567

Merit awards

57

COVID-19 Grants

Contain Outbreak Management Fund

- expenditure

4,405

- income

Cr 4,405

COVID-19 Government Grant

- expenditure

1,791

- income

Cr 1,791

Test and Trace Service Support Grant		
- expenditure		1,370
- income	Cr	1,370
Infection Control Fund		
- expenditure		4,535
- income	Cr	4,535
Rapid Testing Grant		
- expenditure		530
- income	Cr	530
Workforce Capacity Grant		
- expenditure		586
- income	Cr	586

Memorandum Items:

Capital Charges		1,727
Insurance		49
Repairs & Maintenance	Cr	171
IAS19 (FRS17)		1,464
Rent income		129
Grant income	Cr	129
Excluded Recharges	Cr	240

Latest Approved Budget for 2020/21

77,666

REASONS FOR VARIATIONS

1. Assessment and Care Management - Cr £265k

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

		<u>Final</u> <u>Variation</u> £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>		
Services for 65 +		
Placements	Cr	54
Respite Care	Cr	42
Domiciliary Care / Direct Payments		638
		<u>542</u>
Services for 18 - 64		
Placements		242
Respite Care	Cr	6
Domiciliary Care / Direct Payments		88
		<u>324</u>
Other		
- Staffing	Cr	215
- Day Care	Cr	107
- Transport	Cr	24
- Extra Care Housing	Cr	77
- Community DoLS	Cr	552
- Discharge to Assess (D2A)	Cr	193
- Other		37
	Cr	<u>1,131</u>
	Cr	<u>265</u>

The 2020/21 budget includes funding for the 2019/20 budget overspend calculated at the July interim budget monitoring, less savings and mitigation agreed to reduce this overspend.

Services for 65+ - Dr £542k

Overall the main placement services for the over 65 age group for Physical Support, Memory and Cognition and Sensory Support outturned with an overspend of £421k, which is a £1k change from the December reported position.

Numbers in residential and nursing care outturned at 6 under budget, with an overspend of £246k. After a much higher than usual attrition in April, likely linked to Covid-19, numbers of deaths returned to normal patterns. There have been increased costs of placements having to be made above the council's guide rates resulting in the overspend, despite numbers being below the budget. Part of the 2020/21 budget savings related to reducing these additional placement costs where possible, but this have proved difficult during the pandemic. The main pressure area in relation to these additional costs relates to clients with a primary support reason (PSR) of memory and cognition, where placements were 14 over budget. Conversely, Physical Support placements were 21 under budget.

This is partly offset by a final underspend on emergency and temporary placements, which was £300k underspent as less placements were made during the year.

Respite care underspent of £42k as less service users accessed the service this year due to the pandemic.

The final position on the domiciliary care and direct payments budgets is an overspend of £638k. Domiciliary care was overspent by £473k. Part of this increase is likely to be covid related as other community services such as day care remained shut all year and alternative care was required. Direct payments overspent by £165k, once again partly due to the reason given previously. Part of the 2020/21 budget savings related to reviewing packages of care to ensure they meet the needs of the service user however work on this was curtailed due to the pandemic.

Services for 18-64+ - Dr £324k

Overall the main placement services for the 18 - 64 age group for Physical Support, Memory and Cognition and Sensory Support outturned with an overspend of £324k, which is a reduction of £201k from the December reported position.

Placements for 18-64 age group overspent by £372k this year based on current service user numbers, with numbers being 6 above the budget provision. As with the 65+ age group, the unit cost of placements is higher than the budgeted unit cost, due mainly to the nature of the placements for this age group, where costs can vary depending on individual needs .

This is partly offset by a final underspend on emergency and temporary placements, which was £130k underspent as less placements were made during the year.

Respite care underspent of £6k as less service users accessed the service this year due to the pandemic.

The overall position on the domiciliary care and direct payments budgets is a final overspend of £88k. The domiciliary care final position was an overspend of £62k, a reduction of £71k from December, whilst Direct payments was an overspend of £26k, which is a reduction of £22k.

Staffing - Cr £215k

Staffing in the Adult Social Care care management teams underspent by £215k.

Day Care Services & Transport Services - Cr £131k

Day Care and related transport services were suspended for the whole of 2020/21 due to Covid-19, although some payments were agreed to be made to the transport providers for April and May. This has resulted in most of the budget being underspent, with transport underspending by £24k and day care by £107k.

Extra Care Housing - Cr £77k

The hours being delivered in the Extra Care Housing unit remained at the minimum level during the year, resulting in a final underspend of £77k.

Community Deprivation of Liberty Service (CDoLS) - Cr £552k

As reported in the 2019/20 budget monitoring and outturn reports, there was a large underspend on the Community DoLS budget. This underspend has continued for the 2020/21 financial year.

D2A - Cr £193k

Due to Covid-19, discharges from hospital following a revised pathway in unison with health, funded by government grants. This meant that the budget allocation for the discharge to assess service was only minimally being utilised, so an underspend has resulted on this budget.

Other costs - Dr £37k

Various other costs within the Care management division overspent by £37k.

2. Direct Services - Cr £27k

Reablement and the CARTS service - Cr £25k

Staffing within the reablement and CARTS services underspent by £233k due to vacancies during the year. As these services are partly funded by the Better Care Fund 'Protection of Social Care' budget, part of this underspend totalling £208k is reported elsewhere on the portfolio budget monitoring summary page.

Carelink - Cr £2k

There was a final underachievement of income of £46k relating to carelink services. Competition from current and new private providers of this type of service is the likely reason for this drop in income over the past couple of years. Offsetting this is under spends on running costs of £48k.

3. Quality Assurance & Safeguarding - Cr £73k

This service is responsible for contracts compliance and monitoring for adult social care contracts, adult safeguarding, as well as overseeing the Bromley Safeguarding Adults Board. The final underspend is as a result of staff vacancies in the service.

4. Learning Disabilities (LD) - Dr £114k

The 2020/21 LD budget included funding for anticipated 2020/21 demand-related pressures, a contribution to the full year effect of the 2019/20 overspend but also reductions relating to planned savings. Despite the net increase in budget, the outturn position is an overspend of £114k, a small increase from the £79k anticipated in quarter 3.

The overspend is due to a combination of the impact in 2020/21 of the high full year effect of 2019/20 spending (in excess of the amount funded in the 2020/21 budget), a shortfall in savings and new and increased care packages. This is largely offset by the impact of Covid and the associated significant reduced take up of LD services.

The Covid-related reduced costs include: temporary cessation of day services and associated reduced cost of transport; reduced numbers of domiciliary care packages (client preference); some clients returning home from their residential placements and, sadly, a higher than average number of deaths. Mostly these reductions continued to the end of the financial year although, since the quarter 3 report, some services have resumed. In view of the Covid-related reduced take up, some of the additional LD services put in place as a result of Covid are now able to be funded from the LD budget.

The 2020/21 LD budget included savings totalling £896k against which there is a shortfall of £631k in 2020/21. A proportion of this (£440k) is because of delays due to the impact of Covid and this element of the shortfall has therefore been attributed to Covid Grant funding. The remainder of the shortfall relates mostly to the target for increased uptake of the Shared Lives service.

The full year overspend of £2,064k is much higher than the 2020/21 overspend of £114k. The reduced costs that have been experienced in 2020/21 due to the impact of Covid are likely to be predominantly non-recurrent and it has been assumed that services resume to normal levels in 2021/22. In addition, the full year effect of the savings shortfall is more significant as some of the savings achieved in year are short term only, and also it has been assumed that the contribution from Covid funding towards the shortfall was one off in 2020/21.

5. Mental Health (MH) - Dr £523k

The final outturn position on Mental Health (MH) is an overspend of £523k which is an increase of £86k compared to the position reported in quarter 3.

The overspend can largely be attributed to the full year effect of 2019/20 spending exceeding the amount funded in the 2020/21 budget (the full year effect was only partly funded). While there has been movement in placements and care packages during the year this hasn't increased pressure on the budget overall - new and increased packages have been offset by placements ending, reductions in packages and joint funding from health. In addition, costs relating to a legal case have been charged to the MH budget.

The increase in overspend since the quarter 3 projected position is the net result of a number of factors including: costs relating to a legal case; identification of health funding contributions towards packages, some of which were backdated; correction of Primary Support Reason (PSR) misclassifications away from MH; increased income from client contributions; slippage in previously estimated start dates.

The full year impact of the overspend is estimated at Dr £436k. This is positive in that it is less than the growth included in the 2021/22 budget but risks remain going forward regarding clients with increasingly complex needs and increased reliance on expensive packages of care. The position will continue to be closely monitored moving forward into 2021/22.

6. CCG Support for Social Care - Cr £535k

In November 2020, South East London CCG confirmed they had allocated a total of £3m one-off financial support to the six local authorities to help maintain a robust social care offer over the remainder of the financial year. This funding has been allocated on a weighted population basis, and Bromley's amount is £535k. This funding helps to offset some of the additional care packages during the pandemic which are mainly detailed in note 1 above.

7. Integrated Commissioning Division - Cr £101k

COVID Contain Outbreak Management Funding, Workforce Capacity Grant and Rapid Testing Grant have been allocated towards the cost of staff working on the pandemic response. In addition there is an underspend on the variable element of the direct payments contract as a result of lower volumes than budgeted. Both of these, combined with minor underspends on staffing budgets, result in a total underspend of Cr £101k.

An underspend of Cr £32k was anticipated in quarter 3 budget monitoring and the increased underspend is a result of the allocation of additional COVID funding and delays to changes relating to staffing.

8. Information & Early Intervention - Cr & Dr £67k, net nil

The underspend of £67k on the Information and Early Intervention (I&E) Service is a small increase from the underspend of £63k anticipated in quarter 3 budget monitoring. The underspend arises from a combination of inflationary efficiencies on contracts and slightly lower levels of activity on advocacy services, offset in part by a small shortfall on the Local Reform and Community Voices Grant. The final underspend on advocacy services was higher than anticipated (the payments vary in line with levels of activity).

The whole I&E net budget is funded from the element of the Better Care Fund set aside to protect social care services. This £67k underspend has therefore been used to offset other budget pressures within social care in line with the intentions of the funding.

9. Better Care Fund (BCF) - Dr £2k (controllable, net)

Other than some of the variations on the protection of social care element, any underspends on Better Care Fund (BCF) budgets are carried forward for spending in future years under the pooled budget arrangement with South East London Clinical Commissioning Group. The net variation of Dr £2k is offset by a corresponding Cr £2k variation on BCF non-controllable budgets.

The income variation relates to an underspend of £113k on 2020/21 BCF allocations and approval is sought to carry this forward to 2021/22. This is fully offset by an equivalent underspend on expenditure (when non-controllable budgets are taken into account).

10. Improved Better Care Fund (IBCF) - Nil Variation (net)

The total amount of funding available in 2020/21 was as follows:

	£'000
2020/21 IBCF allocation - recurrent	4,636
2020/21 IBCF allocation - non-recurrent (extended for 4th year)	1,677
2020/21 Winter Pressures Grant	1,190
Carry forward from previous years	2,766
	<u>10,269</u>

The non-recurrent IBCF funding of £1,677k was extended for a fourth year and it was agreed as part of setting the 2020/21 budget that this would fund a contribution to a new, 'whole system' reserve that can be called upon in relation to any crisis in the joint health and social care systems.

Some of the remaining funding earmarked for spending in 2020/21 was not spent and, in line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years. Carry forward approval is sought for £2,547k.

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. The Director of Adult Social Care has additional authority in respect of placements.

Since the last report to the Executive, 4 waivers for Adult placements have been agreed for between £50k and £100k and 3 for more than £100k, all of which were agreed by the Director of Adult Social Care.

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.

Children, Education and Families Portfolio Budget Monitoring Summary

2019/20 Actuals £'000	Service Areas	2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PEOPLE DEPARTMENT							
	Education Division							
Cr 350	Adult Education Centres	Cr 401	Cr 376	Cr 423	Cr 47	1	Cr 61	0
543	Schools and Early Years Commissioning & QA	715	715	644	Cr 71	2	Cr 90	0
8,206	SEN and Inclusion	6,597	6,949	6,827	Cr 122	3	263	0
74	Strategic Place Planning	103	103	126	23	4	0	0
8	Workforce Development & Governor Services	Cr 29	Cr 29	Cr 30	Cr 1		0	0
356	Access & Inclusion	156	156	202	46	5	2	0
Cr 1,243	Schools Budgets	Cr 1,528	Cr 1,528	Cr 1,416	112	6	0	0
10	Other Strategic Functions	717	217	146	Cr 71	7	Cr 12	0
7,604		6,330	6,207	6,076	Cr 131		102	0
	Children's Social Care							
1,427	Bromley Youth Support Programme	1,526	1,533	1,313	Cr 220	8	0	0
920	Early Intervention and Family Support	1,178	1,187	856	Cr 331		Cr 64	0
6,580	CLA and Care Leavers	6,252	6,326	6,379	53		271	664
16,846	Fostering, Adoption and Resources	16,808	16,808	16,919	111		183	3,474
3,581	Referral and Assessment Service	3,410	3,315	3,377	62		12	0
2,943	Safeguarding and Care Planning East	2,768	2,664	2,956	292		21	0
5,163	Safeguarding and Care Planning West	5,389	5,255	5,377	122		61	0
1,071	Safeguarding and Quality Improvement Management Action	Cr 1,454	Cr 1,056	Cr 889	167		Cr 156	0
38,531		35,877	36,032	36,288	256		268	4,138
46,135	TOTAL CONTROLLABLE FOR CHILDREN, EDUCATION & FAMILIES	42,207	42,239	42,364	125		370	4,138
8,817	Total Non-Controllable	1,812	8,893	8,893	0		0	0
8,541	Total Excluded Recharges	8,693	8,531	8,531	0		0	0
63,493	TOTAL CHILDREN, EDUCATION & FAMILIES PORTFOLIO	52,712	59,663	59,788	125		370	4,138
	Memorandum Item							
	Sold Services							
37	Education Psychology Service (RSG Funded)	Cr 115	Cr 35	80	115	9	233	0
43	Education Welfare Service (RSG Funded)	Cr 24	Cr 28	Cr 4	24		6	0
8	Workforce Development (DSG/RSG Funded)	Cr 31	Cr 30	1	31		0	0
27	Community Vision Nursery (RSG Funded)	61	61	0	Cr 61		Cr 30	0
47	Blenheim Nursery (RSG Funded)	94	92	Cr 2	Cr 94		Cr 24	0
162	Total Sold Services	Cr 15	60	75	15		185	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2020/21

52,712

Contingency:

Tackling Troubled Families

- expenditure

348

- income

Cr 348

Carry forwards:

Delivery Support Fund

- expenditure

18

- income

Cr 18

Investing in Practise Grant

- expenditure

104

- income

Cr 104

Extension of Virtual Heads

- expenditure

34

- income

Cr 34

Reducing Parental Conflict

- expenditure

40

- income

Cr 40

Tackling Troubled Families

- expenditure

543

- income

Cr 543

Adult Education Match Funding

25

Expenditure on North Lodge

79

Other:

SEN Transport

363

R&M Planned - Blenheim Family Centre

22

Merit Reward

64

Contribution to Contingency

Cr 500

COVID-19 Grants

Contain Outbreak Management Fund

- expenditure

1,977

- income

Cr 1,977

COVID-19 Government Grant

- expenditure	4,405	
- income	Cr 4,405	
Income loss		
- expenditure	254	
- income	Cr 254	
Emergency Assistance Grant		
- expenditure	164	
- income	Cr 164	
Winter Grant		
- expenditure	667	
- income	Cr 667	
Holiday Activities and Food Grant		
- expenditure	81	81,330
- income	Cr 81	
Wellbeing for education		
- expenditure	39	
- income	Cr 39	

Memorandum Items:

Capital Charges	3,627	
Insurance	218	
Repairs & Maintenance	125	
IAS19 (FRS17)	3,112	
Excluded Recharges	Cr 161	
Rental Income	Cr 23	

Latest Approved Budget for 2020/21

59,663

REASONS FOR VARIATIONS

1. Adult Education - Cr £47k

The underspend in Adult Education is due to reduced activity that includes a reduction in the exam expenditure (£78k) and income (£51k) for the year. This is offset by additional staffing costs of £82k.

Due to the COVID-19 lockdown all of the training courses in the summer term were delivered online. Since the start of the new academic year most of the training courses have returned to the classroom with smaller class sizes. The small number of remaining courses are either delivered as blended or online courses.

2. Schools and Early Years Commissioning & QA - Cr £71k

Early Years Service has underspend on staffing of £38k.

There is a non-ringfenced government grant that has not been spent in full during the year that has led to a further underspend of £32k.

The remaining underspend relates to running costs of £1k.

3. SEN and Inclusion - Cr £122k

The SEN Transport has underspent by £715k. This is following an extra £363k added to the budget to support the anticipated extra costs of renewing the transport contracts from the start of the new academic year. COVID has had an effect on the service this year, as the routes have been intermittent due to lockdown restrictions throughout the year. As the service returns back to 'normal' it is expected that this variance will not continue going forward.

The Education Psychologists have made progress in recruiting to the vacant posts in their team. The use of agency staff during the year has caused both the statutory service they are required to provide to overspend by £18k and the Trading Service they offer to the Schools to overspend by £80k. This is a net overspend of £98k. The remaining overspend has resulted from increases in staffing and support roles due to the increases in EHCP's in year. Additionally there were overspends on various running costs (including contracts payments) of £99k. This was offset by a small over collection of income of £9k.

The remaining underspend relates to running costs of £2k.

4. Strategic Place Planning - Dr £23k

The overspend is due to various running cost overspends.

5. Access & Inclusion - Dr £46k

Access and Inclusion Service has an overspend of £46k during the year. This is due to an overspend on staffing of £84k, with a underspend on Mainstream pupil transport of £44k.

The remaining overspend relates to running costs of £6k.

6. Other Strategic Functions - Cr £71k

The service has underspent by £71k. This is due to an overspend of £93k in staffing costs, that has been offset by an underspend in running costs of £273k during the year.

Additional, there is an overspend of £109k on modular classroom rental costs.

7. 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.

The DSG overspend in year is £4,021k. This will be offset by the £1,733k carried forward from 2019/20. There is also an adjustment of £301k of additional income to the carry forward figure for an Early Years Prior Year Adjustment. It was also agreed to use £252k of the brought forward balances to support the services in-year. It was also agreed to use the £1,100k of this years DSG allocation that was set aside to support future years pressures in year as the pressures were emerging faster than anticipated. This gives us an estimated DSG deficit balance to be carry forward of £1,139k into the new financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements.

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

The in-year underspend on Early Years payments was £371k. This is split between the 2 years old funding (underspend of £70k) and 3 & 4 year old Funding (underspend of £301k).

There is currently projected to be an underspend of £83k in the Primary Support Team which is mainly due to staffing.

The Home and Hospital service has a projected overspend of £317k and this is mainly due to the need to use of agency staff to support the number of children being directly looked after by the team.

SEN placements has overspend by a total of £3,263k. These overspends are split as follows:-

Residential Placements - £366k

Top-Up Funding - £2,232k

Alternative Provisions - £665k

There is an overspend of £492k on the Schools Funding area for High Needs. This is for additional places at schools to prevent the need to place children in higher cost placements.

The Post 16 placements have overspend by £1,053k.

The High Needs Pre-school Service has underspend by £87k for the year which relates mostly to staffing.

The Darrick Wood Hearing Unit has overspent this year by £24k. Most of the overspend relates to additional staffing costs, but there is also a small amount that relates to running costs. This has been offset by underspends at SENIF, Sensory Support, and the Outreach & Inclusion Service are other areas across within SEN. The net effect of these cost centres is a £575k underspend.

There is also a small overspend of £12k in total.

	Variations £'000	High Needs £'000	Schools £'000	Early Years £'000	Central £'000
Free Early Education - 2 year olds	-70	0	0	-70	0
Free Early Education - 3 & 4 year olds (Inc. extr	-301	0	0	-301	0
Primary Support Team	-83	0	0	0	-83
Home & Hospital	317	317	0	0	0
Other Small Balances	5	0	2	0	3
SEN:					
- Placements & Alternative Programmes	1,031	1,031	0	0	0
- Top-Up Funding	2,232	2,232	0	0	0
- Support in FE colleges	1,053	1,053	0	0	0
- School Funding	492	492	0	0	0
- High Needs Pre-school Service	-87	-87	0	0	0
- Sensory Support	-68	-68	0	0	0
- SEN Inclusion Fund (SENIF)	-116	0	0	-116	0
- Darrick Wood Hearing Unit	24	24	0	0	0
- Outreach & Inclusion Service	-85	-85	0	0	0
- SEN Staff	-330	-330	0	0	0
- Other Small SEN Balances	7	8	0	0	0
Total	4,021	4,587	2	-487	-80

There will continue to be pressures in the DSG from 2021/22 onwards, especially in the High Needs Block. More children are coming through the system which will put additional pressure on DSG resources.

8. Children's Social Care - Dr £256k

The final budget variation for the Children and Families Division is an overspend of £256k. This is an decrease of £12k in the overspend reported previously which was £268k. Despite additional funding being secured in the 2020/21 budget, increases in the number of children being looked after together with the high cost of some placements has continued to put considerable strain on the budget.

Bromley Youth Support Programme - CR £220k

The underspend in this are is mainly due to the correction of the treatment to income that has meant extra income being realised in this years accounts resulting in an over collection of income of £250k. There is also an underspend on running costs of £20k. These underspends are offset by an overspend of £50k of staffing as additional support is going into the service as there is an anticipated inspection

Early Intervention and Family Support - Cr £331k

The underspend in this area of £331k relates to £140k underspend on staffing, £175k underspend on running costs (including premises and commissioning costs), and a small over collection of income (£16k).

CLA and Care Leavers - Dr £53k

The overspend in this area relates to Children Looked After placement support costs of £3k, accommodation costs of £17k and £55k on running costs that includes the cost of consultants. To offset this there is a £22k underspend on Staying Put.

Fostering, Adoption and Resources - Dr £111k

The final position for this area is an overspend of £111k. This is due to a net overspend of £2k across all of the various Residential, Fostering and Adoption Placements.

There is a £54k overspend on Regional Adoption Agency fees

Additional there are overspends of £55k on running costs

The budget for children's placements (Residential, Fostering and Adoption Placements) is projected to overspent this year, The analysis of this over the various placement types is shown below.

- Community Home's / Community Home's with Education - Cr £397k (Cr £870k)
- Boarding Schools - Dr £35k (Dr £94k)
- Secure Accommodation - Cr £272k (Cr £408k)
- Youth on Remand - Cr £697k (Cr £250k)
- Fostering services (IFA's) - Dr £1,443k (Dr £1,699k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £23k (Cr £90k)
- Adoption placements - Cr £44k (Cr £44k)
- Transport and Outreach Services - Cr £43k (Dr £0k)

Referral and Assessment Service - Dr £62k

The overspend of £62k in this area that relates to support to families overspend of £11k and an overspend of £55k on running costs that This is being offset by an underspend of £4k on the subsistence and accommodation of NRPF.

Safeguarding and Care Planning East - Dr £292k

The overspend in this area of £292k relates PLO including pre-court assessments (£212k), support to families overspend of £25k and an overspend of £55k on running costs that includes the cost of consultants.

Safeguarding and Care Planning West- Dr £122k

The overspend in this area of £122k relates to a £44k overspend in Children's Disabilities Services, support to families overspend of £25k and an overspend of £53k on running costs that includes the cost of consultants regarding YOT and Ofsted.

Safeguarding and Quality Improvement - Cr £171k

This area has overspent by £171k and this is due to overspends of £91k on staffing and £80k on running costs including an increase in contribution to the BSCP and costs relating to the use of consultants for Ofsted review and preparation work.

9. 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, in Children's Social Care there were 7 waivers agreed for placements of between £50k and £100k, 2 between £100k and £150k, 1 between £150k and £200k and 10 for more than £200k.

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.

Environment & Community Portfolio Budget Monitoring Summary

2019/20 Actuals £'000	Service Areas	2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT & COMMUNITY PORTFOLIO							
	Street Scene & Green Spaces							
5,782	Parks and Green Spaces	5,716	5,863	5,876	13	1	0	0
Cr 119	Business Support and Markets	Cr 83	Cr 82	Cr 189	Cr 107	2	0	0
17,715	Waste Services	17,776	17,783	17,936	153	3	140	0
5,469	Street Environment	5,678	5,665	5,665	0	4	Cr 31	0
196	Street Regulation	223	224	221	Cr 3	5	1	0
1,307	Management and Contract Support	1,204	1,444	1,240	Cr 204	6	33	0
739	Arboriculture Management	724	754	1,010	256	7	152	0
31,089		31,238	31,651	31,759	108		295	0
	Transport Operations and Depot							
513	Transport Operations and Depot Management	731	650	574	Cr 76	8	Cr 111	0
513		731	650	574	Cr 76		Cr 111	0
	Traffic, Parking and Highways							
192	Traffic & Road Safety	280	245	Cr 36	Cr 281	9	Cr 193	0
Cr 7,875	Parking	Cr 7,505	Cr 7,604	Cr 8,014	Cr 410	10-15	Cr 363	0
6,719	Highways (including London Permit Scheme)	6,392	6,354	6,133	Cr 221	16	0	0
Cr 964		Cr 833	Cr 1,005	Cr 1,917	Cr 912		Cr 556	0
30,638	TOTAL CONTROLLABLE	31,136	31,296	30,416	Cr 880		Cr 372	0
4,960	TOTAL NON-CONTROLLABLE	6,182	7,276	7,276	0		0	0
2,480	TOTAL EXCLUDED RECHARGES	2,399	2,511	2,511	0		0	0
38,078	PORTFOLIO TOTAL	39,717	41,083	40,203	Cr 880		Cr 372	0

Reconciliation of Latest Approved Budget £'000

Original Budget 2020/21 39,717

Carry Forward Requests approved from 2019/20

Green Garden waste DD system	120
Lych Gate Footbridge Repairs	48
Procurement of a Sonic Tomograph	30
Millwood Rd Allotments Water Supply	30

Central Contingency Adjustments

Other

R&M - Norman Park Pavilion No.4 (non controllable)	42
R&M Depot Electrical Remedial Works & Roof survey work (non controllable)	18
Lych Gate Carry Forward Returned to Central Contingency	Cr 48
Transfer of Electricity Budget to RCCM portfolio	Cr 28
Transfer of Highways budget to PPE for Post Funding	Cr 16
Merit Awards 20/21 Budget Allocation	25

COVID-19 Grants

COVID-19 General Grant	
- expenditure	3,238
- income	Cr 3,238
COVID-19 Income Compensation	
- expenditure	4,186
- income	Cr 4,186
Contain Outbreak Management Fund	
- expenditure	1,113
- income	Cr 1,113
Reopening High Streets Safely	
- expenditure	171
- income	Cr 171
Emergency Assistance	
- expenditure	115
- income	Cr 115
Support for the Clinically Extremely Vulnerable	
- expenditure	454

- income	Cr	454
Emergency Active Travel Fund		
- expenditure		9
- income	Cr	9

Memorandum Items

Capital Charges 5802		419
Deferred Charges (REFCUS) 5804		127
Insurance	Cr	96
Rent Income (property)		43
Repairs & Maintenance (Premises)	Cr	181
IAS19 (FRS17) sub 0206		765
Excluded Recharges		112
IAS 19 Past Service Costs FRS17 0219 All	Cr	44

Latest Approved Budget for 2020/21

41,083

REASONS FOR VARIATIONS

1. Parks and Green Spaces Dr £13k

There were a number of small variations across supplies and services which resulted in a £12k underspend, although this was offset by a number of hydro surveys that were undertaken in the last few months of the financial year costing £25k .

2. Business Support and Markets Cr £107k

Due to the COVID-19 restrictions, the market was shut from March 2020 and re-opened in June 2020. However as part of social distancing measures during the summer and autumn there were reduced stall sizes and numbers. Footfall was much lower than previous levels and a number of stall holders did not return to trading. During the second and third lockdown periods the market was essentially closed, except for a few stalls selling fruit and veg. These further restrictions also impacted on the Christmas market trade.

As a result, there was a £27k reduction in the costs of stall assembly due to the closed periods and reduced stall numbers during the summer months. Market security also underspent by £23k for the same reasons and advertising by £9k as there has been no marketing during the financial year. The budget for new market stall equipment underspent by £19k as no purchases were made during 2020/21.

Staffing underspent by £9k and other small variations within supplies and services resulted in a further £17k underspend during 2020/21.

3. Waste Services Dr £153k

Waste Services budgets were significantly impacted by Covid-19 over the financial year due to the various restrictions and measures in place, as well as changed trends and behaviours.

Overall, the service overspent by £153k on issues not related to Covid-19. The main cost of £255k related to a prior year payment that had been in dispute and was not settled until this financial year. This was partly offset by an underspend of £70k on landfill tax as a result of the contractor exceeding their targets in the financial year, as well as a number of other minor variations within waste services resulting in a further net underspend of £32k.

4. Street Environment £ Nil

Gully cleaning and soak away costs exceeded budget by £99k due to a high level of activity during the winter months and the last quarter of the financial year. However, this was offset by an underspend of £45k on nuisance and abandoned vehicle costs due to reduced activity levels, an underspend of £49k on routine cleaning and cleaning of litter bins, plus a number of small variations on supplies and services of £5k.

5. Street Regulation Cr £3k

There is a small underspend of £3k across supplies and services in this area.

6. Management and Contract Support Cr £204k

The salary budget overspent by £54k this financial year due to the cost of agency staff and the salary vacancy factor not being achieved. This was partially offset by a £10k underspend across supplies and services.

Many of the team were mobilised to support various elements of the Council's emergency response to Covid-19, including providing assistance to residents that were required to shield and those deemed clinically extremely vulnerable, and local contact tracing. Covid grant funding of £248k has been allocated to the service to recognise this cost.

7. Arboriculture Management Dr £256k

This service overspent by £256k this financial year, of which £159k was due to the volume of statutory tree surveys and associated urgent remedial works required within the Borough. Staff vacancies in previous years had contributed towards a backlog of works that needed to be undertaken. The purchase of additional trees during the last quarter of the year, which can be met from within the Portfolio's overall budget, resulted in further spending of £121k. This was partly offset by an underspend of £24k across staffing, supplies and services and the recovery of establishment expenses.

8. Transport Operations and Depot Management Cr £76k

Salary budgets underspent by £74k due to staff vacancies and reduced working hours. Minor improvement works at the Depot in quarter 4 resulted in £53k of expenditure that was not projected in quarter 3. Veolia's contribution towards depot security services exceeded the income budget by £20k. Other minor variations including business rates, tenant maintenance costs, and software expenditure within the division total a further £31k underspend.

9. Traffic & Road Safety Cr £281k

There was an overall surplus of £281k across Traffic & Road Safety for 2020-21. There were underspends against LBB funded staffing budgets totalling £39k mainly due to vacancies including an MG6 post and part-time staff working in fully budgeted posts, with TfL confirming LIP funding could be claimed until the end of the financial year. However, the Assistant Director of Traffic & Parking continues to work closely with TfL to understand the situation for future funding for 2021/22 and beyond. The situation continues to be closely monitored, with interim funding currently only confirmed to December 2021; mitigating action has been prepared including a full service redesign, should this be necessary.

Income for road closure charges overachieved budget by £152k. Despite the current situation with Covid-19, utility companies continued to apply for road closures to undertake works at the level seen in previous years. There were other minor credit variations across the service totalling £39k, mainly due to some historic ledger balances being written back to revenue, along with underspends on supplies and services budgets and a small surplus on advertising revenue.

Parking Cr £410k

10. Income from Bus Lane Contraventions Dr £138k

The temporary reduction in workloads during periods of lockdown, when parking activity had been significantly limited by Government restrictions, gave officers in the Parking Shared Service a unique opportunity to review a greater number of aged tickets and outstanding income from PCN's issued in prior years than is the case in a normal year. This exercise has resulted in a net write-off of £138k this year, which is expected to reduce the level of usual write-offs in the following year.

11. Off/On Street Car Parking Cr £80k

There was an underspend against credit card commission costs of £65k, a favourable increase to the previously reported figure of £59k. This was due to the decline in parking usage during the periods of lockdown and subsequent restrictions, and the lower volume of transactions.

Similarly, the reduction in parking use generated a £15k deficit in income from cashless parking fees.

Defaults secured against the APCOA contract in relation to off street parking totalled £29k for the year.

12. Permit Parking Cr £11k

There were minor underspends against credit card commission costs and the APCOA contract totalling £11k in the year.

13. Car Parking Enforcement Cr £59k

There was an underspend on credit card commission costs of £59k for the financial year.

14. Parking Shared Service Cr £160k

There was a net underspend of Cr £160k for the Parking Shared Service mainly due to underspends on staffing as a result of vacancies across both boroughs and a reduction in the number of agency staff employed. The Head of Parking is in the process of undertaking a full review of the Shared Service.

15. Parking Expenditure Variations Cr £240k

Other variations across the service totalled an underspend of £222k mainly due to savings against Traffic Committee Fees for London and Debt Collection Registration fees and a underspend on Third Party Payments. COVID grant of £18k has been allocated to Parking to reflect the cost of staff diverted to supporting the Council's Covid response in the year. The variations are summarised as follows:

16. Highways - Including London Permit Scheme Cr£221k

Monitoring in quarter 3 had anticipated that the impact of Covid-19 restrictions would result in a £60k loss of income on streetworks in respect of permits, Section 74 charges, fixed penalty notices and inspections. However, during quarter 4 income levels significantly exceeded those previously expected and income actually overachieved by £48k by the end of the year.

The Street lighting maintenance and installation budget underspent by £204k as the replacement columns currently need less maintenance than older columns. The intention had been to direct the surplus budget to LED conversions in residential streets; at the same time, officers had envisaged progressing the parallel project to replace street lamps on traffic routes supported by Salix funding. However, as sufficient resources were not available to complete both projects, a £200k carry forward request has been submitted to enable the LED conversions to take place in early 2021/22.

Street lighting electricity costs underspent by £233k this financial year as the new, low energy lamp post upgrades continued to be rolled out across the Borough. Staffing underspent by £151k this year as the TfL funding was secured to the end of the financial year and so the surplus budget for vacant posts was no longer required to offset any previously anticipated shortfall in TfL funding. Winter maintenance budgets underspent by £150k this year due to relatively mild weather.

A level of underspending on the service's budget had previously been anticipated and the Portfolio Holder had consequently agreed for officers to undertake a programme of essential planned carriageway works during the latter part of the financial year costing £535k.

There were a number of other small variations across supplies and services and transport costs totalling a £36k overspend. COVID grant funding of £6k has been allocated to Highways to cover staffing costs relating to those members of staff diverted to support the Council's Covid response in the year.

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, the following waivers over £50k have been actioned.

1) a 1 year extension to the Confirm OnDemand Enterprise License use by Highways from 1st July 2020 to 30th June 2021 costing £75,300, cumulative contract value of £225,900 This software supports customer enquiries, works orders and invoicing.

2) a 1 year extension to the MarketForce Services Ltd Contract for the market stall assembly from 1st January 2021 to 31st December 2021. Annual value of approximately £77k and a cumulative contract value of £296k.

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

2019/20 Actuals	Service Areas	2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
253	Public Protection Community Safety	170	395	370	Cr 25	1	Cr 79	0
133	Emergency Planning	134	136	137	1	2	3	0
670	Mortuary & Coroners Service	574	574	574	0		0	0
1,676	Public Protection	1,556	1,388	1,457	69	3	76	0
2,732	TOTAL CONTROLLABLE	2,434	2,493	2,538	45		0	0
318	TOTAL NON CONTROLLABLE	7	379	379	0		0	0
941	TOTAL EXCLUDED RECHARGES	973	928	928	0		0	0
3,991	PORTFOLIO TOTAL	3,414	3,800	3,845	45		0	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2020/21

3,414

Carry Forward Requests approved from 2019/20

Asset Recovery Incentivisation Scheme		48
Asset Recovery Incentivisation Scheme	Cr	48

Other

Virement from Housing to create a cross service support post		31
Transfer of Electricity Budget to RCCM portfolio	Cr	2
Transfer of Highways budget to PPE for Post Funding		16
DCLG LA Compliance and Enforcement Grant Income	Cr	145
DCLG LA Compliance and Enforcement Grant Expenditure		145
Merit Awards 20/21 Budget Allocation		14

COVID-19 Grants

COVID-19 General Grant		
- expenditure		1,336
- income	Cr	1,336
COVID-19 Income Compensation		
- expenditure		3
- income	Cr	3
Compliance and Enforcement Grant		
- expenditure		145
- income	Cr	145

Memorandum Items

Capital Charges 5802	Cr	2
Insurance		25
IAS19 (FRS17) sub 0206		370
Excluded Recharges	Cr	45
IAS 19 Past Service Costs FRS17 0219 All	Cr	21

Latest Approved Budget for 2020/21

3,800

REASONS FOR VARIATIONS

1. Community Safety Cr £25k

This service underspent by £25k this financial year with £9k due to in year staffing vacancies. There was a £15k underspend relating to the decreased current requirement of the dog warden service. At Q3 this was forecast to be £25k underspent but unforeseen vets bills late in the financial year reduced the underspend. A number of other minor variations across supplies and services, including some laptop purchases, cumulated in a small £1k overspend.

2. Emergency Planning Dr £1k

There were additional staffing costs of £11k this financial year relating to overtime and on call costs. There were a number of small variations across supplies and services budgets resulting in a £10k underspend.

3. Public Protection Dr £69k

There was an underlying staffing underspend of £129k due to a number of in year vacancies. All posts are currently being recruited to. Income generated from Houses in Multiple Occupation overachieved by £45k this financial year. The Scientific Investigations Programme underspent by £10k this year due to the minimal activity undertaken and the CCTV contract resulted in a small credit variation of £14k. Other transport and supplies and service budgets across the division overspent by £29k. CCTV camera upgrades were undertaken this financial year costing £383k. At Q3 these costs were forecast at £295k but the increased overall underspends have allowed more essential upgrades to be undertaken than envisaged in December.

The service undertook increased activity in relation to Covid compliance and enforcement activity during the year, and Covid grant funding of £145k was allocated in recognition.

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.

1) a 1 year extension of the Stray Dog service and Pest Control contract with SDK from 1st February 2021 to 31st January 2022. The annual contract value is £94k resulting in cumulative spend with SDK of £879k

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

2019/20 Actuals £'000	Division Service Areas	2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PLACE DEPARTMENT							
	Planning							
Cr 19	Building Control	75	79	32	Cr 47	1	Cr 28	0
Cr 135	Land Charges	Cr 129	Cr 128	Cr 130	Cr 2	2	Cr 64	0
1,231	Planning	1,658	1,800	1,505	Cr 295	3	Cr 163	0
1,077		1,604	1,751	1,407	Cr 344		Cr 255	0
	Culture & Regeneration							
865	Culture & Regeneration	763	972	897	Cr 75	4	54	0
4,853	Libraries	4,794	4,782	4,729	Cr 53	5	38	0
110	Town Centre Management & Business Support	78	79	87	8	6	9	0
5,828		5,635	5,833	5,713	Cr 120		101	0
	Operational Housing							
888	Supporting People	1,019	1,019	684	Cr 335	7	Cr 321	0
8,870	Housing Needs	8,366	7,951	8,358	407	8	117	1,124
0	Enabling Activities	Cr 1	0	0	0		0	0
Cr 1,981	Housing Benefits	Cr 1,941	Cr 1,941	Cr 1,863	78	9	0	0
179	Housing Improvement	207	177	213	36	10	9	0
7,956		7,650	7,206	7,392	186		Cr 195	1,124
14,861	Total Controllable	14,889	14,790	14,512	Cr 278		Cr 349	1,124
12,732	TOTAL NON CONTROLLABLE	Cr 1,212	1,362	1,362	0		0	0
6,242	TOTAL EXCLUDED RECHARGES	5,904	5,724	5,724	0		0	0
33,835	TOTAL RR & H PORTFOLIO TOTAL	19,581	21,876	21,598	Cr 278		Cr 349	1,124

Reconciliation of Latest Approved Budget

£'000

Original budget 2020/21

19,581

Carry Forward Requests approved from 2019/20

Asset Recovery Incentivisation Scheme		85
Asset Recovery Incentivisation Scheme	Cr	85
IDOX System Implementation		22
Project X and IT Support Staff		105
Custom Build Grant		75
Custom Build Grant	Cr	75
Beckenham Library & Public Hall Feasibility Study		44
New Homes Bonus - Regeneration		73
Historic England - Crystal Palace Park Dinosaur Conservation		26
Historic England - Crystal Palace Park Dinosaur Conservation	Cr	26
Rough Sleepers Initiative Grant		5
Rough Sleepers Initiative Grant	Cr	5
Homelessness Reduction Grant		89
Homelessness Reduction Grant	Cr	89

Central Contingency Adjustments

Rough Sleepers Initiative Grant		104
Rough Sleepers Initiative Grant	Cr	104
Homeless Prevention Initiatives Grant	Cr	424
Walnuts Feasibility study - contribution to earmarked Reserve		80

Other

R&M WW Leisure Centre (non controllable)		12
Transfer of Electricity Budget to RCCM portfolio	Cr	3
Merit Awards		36

Budget Virement

Funding of a new Cross Service Support Admin post within PPE	Cr	31
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COVID-19 Grants

Contain Outbreak Management Fund		200
Contain Outbreak Management Fund	Cr	200
COVID-19 Government Grant		2,494
COVID-19 Government Grant	Cr	2,494
Next Steps Accommodation Programme grant (Rough Sleepers)		391
Next Steps Accommodation Programme grant (Rough Sleepers)	Cr	391
COVID-19 Rough Sleeping Contingency Fund		6
COVID-19 Rough Sleeping Contingency Fund	Cr	6

COVID Winter Grant Scheme		106
COVID Winter Grant Scheme	Cr	106
Income Compensation		176
Income Compensation	Cr	176
National Leisure Recovery Fund		761
National Leisure Recovery Fund	Cr	761
Reopening High Streets Safely		96
Reopening High Streets Safely	Cr	96
Small Business Grants Admin		40
Small Business Grants Admin	Cr	40
BID support		62
BID support	Cr	62
Small Business Grants Scheme		2,275
Small Business Grants Scheme	Cr	2,275
Additional Restrictions Grants		10,482
Additional Restrictions Grants	Cr	10,482

Memorandum Items

Capital Charges		1,429
Government Grant Income	Cr	760
Insurance	Cr	80
Rent Income (Property)		760
Repairs & Maintenance (Premises)		299
IAS19 (FRS17)		914
Excluded Recharges	Cr	181

Latest Approved Budget for 2020/21**21,876**

REASONS FOR VARIATIONS

1. Building Control Cr £47k

There has been a decrease in the number of applications due to the impact of Covid-19. As a result of this lower level of activity, staffing costs were £45k under budget due to posts being held vacant, while supplies and services overspent by £5k. Some staff were also diverted to support the Council's Covid-19 response resulting in a further underspend of £7k. Therefore this financial year, there has been no draw down from the earmarked reserve for the Building Control Charging Account. The net balance of the earmarked reserve remains at Cr £48k.

2. Local Land Charges Cr £2k

There has been a decrease in the number of searches due mainly to the impact that the COVID-19 restrictions had on activity and the service has been holding some vacant posts as a result. Staffing is therefore £62k under budget, with other small variations resulting in a further £8k underspend. In accordance with regulations and as in previous years, the net credit at year end has been transferred to the land charges reserve, which results in a credit balance of £45k currently held on the ledger.

3. Planning Cr £295k

Although there was an initial decrease in the number of planning applications due to the impact of COVID-19 restrictions, this was largely offset by an increase in the volume of applications during the last quarter as well as fees from some major planning applications. During the year, the service continued to hold some vacant posts to reflect the initial reduction in activity with staffing costs £127k under budget. There are also a number of variations across supplies and services and transport costs, including the Local Implementation Plan which will be delayed until next financial year, resulting in an additional £51k underspend. Other hired and contracted services underspent by £104k as a result of further delays to implement Project X, a self serve digital planning guide and associated IT staffing support. This was caused due to resource issues as a result of COVID-19 restrictions and measures. A further carry forward of £105k will be requested so the project can be fully implemented in 2021/22.

4. Culture Cr £75k

Within the Culture Division there was a £21k overspend against salaries which mainly relates to maternity pay and the salary vacancy factor not being achieved this financial year. The costs of cladding replacement at the Churchill Theatre and Central Library result in a cost pressure of £53k to the service as it exceeded its earmarked budget. The shop front improvement works for Penge High street did not go ahead as planned due to lockdown and COVID restrictions, resulting in a £73k underspend. A carry forward request to allow the work to continue in 2021/22 has been submitted. Other minor variations within the division result in an underspend of £42k this financial year. A number of staff were also diverted to support the Council's response to Covid-19, including the vital work of administering business support grants in the year, resulting in a net reduction in costs to the salary budget of £35k.

5. Libraries Cr £53k

The Libraries contract overspent by £38k this financial year due to additional pension costs for the staff that transferred at the commencement of the contract. Staffing underspend by £7k and there is a further underspend of £4k from the Penge library rents. Other premises and supplies and services budgets underspent by £80k in 2020/21. This was mainly due to the premises remaining closed for the majority of the financial year and thus incurring less costs than during a normal year of activity.

6. Town Centre Management & Business Support Dr £8k

Town Centre Management had a minor overspend this financial year of £8k due to a number of small variations within supplies and services.

7. Supporting People Cr £335k

The Supporting People budget was underspent by £335k due to an in-year underspend of £145k plus £190k credit relating to prior year provisions.

8. Housing Needs Dr £407k

Temporary accommodation budgets were overspent by £314k, mainly as a result of delays in achieving savings linked to the development of housing sites, and an increase in the provision for non-recovery of rent arrears.

At the start of the year the number of households in Nightly Paid Accommodation was 915. By the end of the year, the number had risen to 1,178 - an increase of 263, at an average cost of around £6,200 per property per annum. This increase is partly due to the 'Everyone In' scheme to place rough sleepers in accommodation during the COVID-19 pandemic; the costs of which were covered through COVID-19 funding.

These numbers exclude other schemes like More Homes Bromley, Beehive, Orchard & Shipman, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these have been included there were 1,842 households in temporary accommodation at the end of the financial year.

Staffing budgets in Housing Needs were underspent by £242k due to a number of vacancies, as well as the costs of staff diverted to help with the COVID-19 pandemic being funded from grants.

The Travellers Site service overspent by £95k mainly due to a shortfall of site fees income of £45k due to voids, and a one-off spend on fencing works costing £64k. These overspends are partly offset by a net underspend of £6k on other running expenses budgets and £8k on the salaries budget.

There was an overspend of £247k on homeless prevention schemes, which was partly offset by an underspend of £122k on the furniture storage budget. These budgets will be realigned during 2021/22.

There was a shortfall of income from Choice Based Letting advertising of £8k due to reduced demand from Housing Associations.

Other net miscellaneous overspends of £16k relate to minor variations in running costs.

Summary of overall variations within Housing Needs:	£'000
Temporary Accommodation	314
Staffing	Cr 242
Travellers Sites	95
Prior year IT system costs	91
Homeless Prevention scheme	247
Furniture Storage	Cr 122
Choice Based Letting	8
Other net miscellaneous	16
Total variation for Housing Needs	<u><u>407</u></u>

9. Housing Benefit Dr £78k

There was a net overspend of £78k on Housing Benefits as a result of a reduction in overpayment subsidy compared to budget (due to a reduction in overpayments), mainly offset by an underspend on write-offs and a reduction in the bad debt provision.

10. Housing Improvement Dr £36k

The Housing Improvement budget was overspent by £36k mainly due to a underspend of £120k on salaries costs which is offset by a reduction of £117k in recharges to the DFG Capital scheme and a shortfall of projected income of £32k. There was also an overspend of £12k on supplies and services.

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 approved.

Resources, Commissioning & Contracts Management Portfolio Budget Monitoring Summary

2019/20 Actuals		2020/21 Original Budget £'000	2020/21 Final Approved £'000	2020/21 Provisional Outturn £'000	Variation	Notes	Variation Last Reported £'000	Full Year Effect £'000
£'000		£'000	£'000	£'000	£'000		£'000	£'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
242	Director of Finance & Other	238	238	233	Cr 5		0	0
8,517	Exchequer - Revenue & Benefits and Payments & Income	7,998	7,891	7,565	Cr 326	1	Cr 153	0
393	Financial Accounting	582	513	448	Cr 65	2	Cr 61	0
1,359	Management Accounting	1,678	1,636	1,579	Cr 57	3	Cr 40	0
734	Audit	785	897	940	Cr 43	4	189	0
11,245	Total Financial Services Division	11,281	11,175	10,765	Cr 410		Cr 65	0
	CORPORATE SERVICES DIVISION							
5,407	Information Systems & Telephony	5,518	5,887	5,565	Cr 322	5	Cr 250	0
	Legal Services & Democracy							
381	Electoral	364	366	366	0		16	0
323	Democratic Services	359	361	307	Cr 54	6	Cr 56	0
1,036	Members Allowances	1,104	1,084	1,068	Cr 16	7	Cr 19	0
2,326	Legal Services	1,921	2,053	2,359	306	8	338	0
494	Procurement and Data Management	523	526	497	Cr 29	9	10	0
157	Management and Other (Corporate Services)	141	161	170	9		5	0
10,124	Total Corporate Services Division	9,930	10,438	10,332	Cr 106		44	0
	HR AND CUSTOMER SERVICES DIVISION							
1,839	Human Resources	1,835	1,891	1,879	Cr 12	10	Cr 4	0
	Customer Services							
981	Contact Centre	1,092	1,242	1,202	Cr 40	11	0	0
Cr 192	Registration of Births, Deaths & Marriages	Cr 114	Cr 110	Cr 156	Cr 46	12	Cr 12	0
2,628	Total HR & Customer Services Division	2,813	3,023	2,925	Cr 98		Cr 16	0
	CHIEF EXECUTIVE'S DIVISION							
194	CE - Consultation & Communication	196	199	188	Cr 11	13	2	0
755	Management and Other (C. Exec)	791	796	802	6	14	3	0
144	Mayoral	165	165	175	10	15	0	0
1,093	Total Chief Executive's Division	1,152	1,160	1,165	5		5	0
	CENTRAL ITEMS							
3,081	CDC & Non Distributed Costs (Past Deficit etc.)	1,870	1,870	1,107	Cr 763	16	0	0
11,319	Concessionary Fares	11,416	11,262	11,262	0		0	0
39,490	TOTAL CONTROLLABLE CE DEPT	38,462	38,928	37,556	Cr 1,372		Cr 32	0
5,720	TOTAL NON CONTROLLABLE	1,850	1,237	1,237	0		0	0
Cr 18,300	TOTAL EXCLUDED RECHARGES	Cr 17,837	Cr 17,585	Cr 17,585	0		0	0
26,910	TOTAL CE DEPARTMENT	22,475	22,580	21,208	Cr 1,372		Cr 32	0
	PEOPLE DEPARTMENT							
	Strategy and Corporate Projects							
267	Commissioning	271	273	178	Cr 95		Cr 67	0
288	Learning and Development	417	428	251	Cr 177		Cr 145	0
1,832	Strategy, Performance and Engagement	2,044	2,051	1,702	Cr 349		Cr 274	0
2,387	TOTAL CONTROLLABLE PEOPLE DEPT	2,732	2,752	2,131	Cr 621	17	Cr 486	0
209	TOTAL NON CONTROLLABLE	5	185	185	0		0	0
Cr 1,667	TOTAL EXCLUDED RECHARGES	Cr 2,746	Cr 2,345	Cr 2,345	0		0	0
929	TOTAL PEOPLE DEPARTMENT	Cr 9	592	Cr 29	Cr 621		Cr 486	0
	PLACE DEPARTMENT							
	Total Facilities Management							
2,433	Admin Buildings & Facilities Support	2,459	2,459	2,282	Cr 177	18	Cr 52	0
373	Investment & Non-Operational Property	198	194	236	42	19	Cr 28	0
1,101	Strategic & Operational Property Services	1,162	1,163	1,168	5		Cr 30	0
358	TFM Client Monitoring Team	406	572	587	15	20	Cr 14	0
Cr 1,522	Other Rental Income - Other Portfolios	Cr 1,571	Cr 1,571	Cr 1,550	21	21	74	0
1,905	Repairs & Maintenance (All LBB)	2,167	2,397	2,330	Cr 67	22	0	0
4,648	TOTAL CONTROLLABLE PLACE DEPT	4,821	5,214	5,053	Cr 161		Cr 50	0
10,206	TOTAL NON CONTROLLABLE	374	423	423	0		0	0
Cr 3,869	TOTAL EXCLUDED RECHARGES	Cr 3,629	Cr 3,782	Cr 3,782	0		0	0
Cr 1,214	Less: R&M allocated across other Portfolios	Cr 1,551	Cr 1,747	Cr 1,747	0		0	0
1,522	Less: Rent allocated across other Portfolios	1,571	1,550	1,550	0		Cr 74	0
11,293	TOTAL PLACE DEPARTMENT	1,586	1,658	1,497	Cr 161		Cr 124	0
39,132	TOTAL RESOURCES PORTFOLIO	24,052	24,830	22,676	Cr 2,154		Cr 642	0

Reconciliation of Latest Approved Budget	£'000
Original budget 2020/21	24,052
Carry Forward Requests approved from 2019/20	
Repairs & Maintenance (All LBB)	230
IS&T GDPR Staffing and Systems	132
IS&T COVID related increased contract costs	231
HR Training	21
HR Redecoration	13
L & D Funding to fund training for Adult Social Care (ASC) staff	10
HR Training - Carry Forward Not required	Cr 13
HR Redecoration - Carry Forward Not required	Cr 13
Central Contingency Adjustments	
Drawdown of Merit Awards	43
Head of Estates and Assets post in TFM	35
Property Programme Management post in TFM	50
Disposals Surveyor in TFM	40
Legal Funding agreed by Exec Nov 2020	61
Concessionary Fares budget adjustment	Cr 154
Legal Case funding agreed 2019/20	67
Website Upgrade - CSC	150
Apprenticeship Levy	42
UC Grant returned to Contingency	Cr 31
GLA Inspectors funding returned to Contingency	Cr 78
Other Budget Movements	
Transfer of Electricity budget from PPE, Env & RRH portfolios	33
COVID-19 Grants	
Contain Outbreak Management Fund	200
Contain Outbreak Management Fund	Cr 200
Workforce Capacity Grant	4
Workforce Capacity Grant	Cr 4
COVID-19 Government Grant	2,335
COVID-19 Government Grant	Cr 2,335
Income Compensation	159
Income Compensation	Cr 159
Business Support Grants New Burdens	336
Business Support Grants New Burdens	Cr 336
Test and Trace Discretionary Support Payments	334
Test and Trace Discretionary Support Payments	Cr 334
COVID-19 Government Grant - Strategy	21
COVID-19 Government Grant - Strategy	Cr 21
Income Compensation - Strategy	41
Income Compensation - Strategy	Cr 41
Contain Outbreak Management Fund - Strategy	129
Contain Outbreak Management Fund - Strategy	Cr 129
Community Testing Programme - Strategy	687
Community Testing Programme - Strategy	Cr 687
Workforce capacity - Strategy	5
Workforce capacity - Strategy	Cr 5
Memorandum Items (Strategy):	
Merit Reward	11
Insurance	Cr 2
Repairs & Maintenance	0
IAS19 (FRS17)	182
Excluded Recharges	400
Memorandum Items (Chef Exec & TFM):	
Capital Charges	20
Deferred Charges (REFCUS)	Cr 920
Insurance	7
IAS19 (FRS17)	306
Past Service Cost	412
Employers Pension Contributions	Cr 389
Excluded Recharges	99
R&M allocated to other portfolios	Cr 196
Rent allocated to other portfolios	Cr 21
Latest Approved Budget for 2020/21	24,830

REASONS FOR VARIATIONS

CHIEF EXECUTIVE'S DEPARTMENT FINANCIAL SERVICES DIVISION

1. Exchequer – Revenue & Benefits and Payments & Income - Cr £326k

Staffing costs were underspent by £75k due to vacant posts throughout the year. The Contract Monitoring Support Assistant post was filled in Q3 and a further review of Exchequer resources will be carried out in Q1 of 2021/22.

Within the Exchequer Services contract, there was also an underspend of £242k against the Incentive Scheme budget as contractor performance was disrupted by the impact of Covid-19.

2. Financial Accounting - Cr £65k

There was an underspend within Financial Accounting of £65k in total - the majority of this relates to in year staffing vacancies at the Senior Accountant level - partially offset by overspends within supplies and services totalling £25k.

In addition, COVID related grants of £15k relating to staff diverted to the Contain Outbreak Management programme were allocated to the service for the year.

3. Management Accounting - Cr £57k

There is an £45k underspend due to staffing vacancies for the year. One of these posts was filled during the course of Q3 but a further has arisen in Q4. There were minor underspends totalling £5k within Supplies and Services budgets for the year and £7k of COVID grant income was allocated against exceptional expenditure.

4. Audit - Dr £43k

There is an overspend of £81k in relation to external audit fees, the majority of which is due to ongoing work in respect of objections raised against previous years' annual accounts. This is offset against minor underspends of £6k within the audit team.

COVID related grants of £32k relating to staff diverted to the Contain Outbreak Management programme were allocated to the service for the year.

CORPORATE SERVICES DIVISION

5. Information Systems & Telephony - Cr £322k

In anticipation of an increase in demand for IT support and solutions to enable staff to work from home during the Covid-19 lockdown, a carry forward of £231k was requested at the end of 2019/20 to address spending pressure in this financial year. Increased costs on the contract for the year totalled £186k resulting in an underspend of £45k in year.

There were overspends of £91k in staffing and £127k of additional mobile data costs incurred due to increases resulting from staff working from home and £27k of system development costs. These were offset by reductions in hardware costs of £102k, data back-up costs of £120k against budget, £56k of software costs and £99k on leased lines.

There was £67k of income received including £64k in respect of the BT Framework Management Charge sharing arrangement.

£185k of this underspend is requested to be carried forward into 2021/22 towards the funding of the essential Windows 10 and Information Security upgrades.

6. Democratic Services - Cr £54k

Staff costs within Democratic Services underspent by £46k mostly due to a vacant post. There are further underspends within the service totalling £8k against various supplies and services budgets, the majority of which is against the Printing and Stationery budget with the printing of Committee papers significantly reduced this year.

7. Members Allowances - Cr £16k

The budget for monthly allowances was underspent by £6k. There were further underspends within the service totalling £10k against various supplies and services budgets.

8. Legal Services - Dr £306k

For the full year there was an overspend of £124k on Counsel fees and court costs across the service as a whole. There was also an overspend of £276k on staffing for the year to cover continuing high levels of caseloads. However, a separate £16k of COVID grants were allocated to reduce this to £260k. For 2021/22 additional budget has been agreed for staffing in the Adults & Children's team so this level of overspend should not repeat in the new financial year.

Income received was up against budget by £73k for the full year, most notably in the Planning team and there were other minor underspends across the service of £5k.

Legal Variances	Staffing	Other	Income	Counsel & Court Costs	Total
Core Service Budgets	260	-5	-13	-1	241
Demand-Led Budgets					
- Commercial & Property			11	-22	-11
- Children's Services				162	162
- Planning			-71	-15	-86
Total Variation	260	-5	-73	124	306

9. Procurement & Data Management - Cr £29k

There was an £11k overspend in Procurement due to the staffing vacancy factor not being met as the team was fully staffed for the year. During the year, a number of the team were seconded to work on Covid-related projects for which £40k of grant funding has been allocated from the Contain Outbreak Management funding. This has resulted in a net underspend of £29k within Procurement.

HR AND CUSTOMER SERVICE DIVISION

10. Human Resources - Cr £12k

Most of the advertising income generated from the external Bromley website is in relation to vacant posts at schools and academies. Due to Covid-19, and the closure of schools for much of the year, income generated fell by £34k below target. In addition to this, there is a £20k overspend in relation to staffing and other variations, mainly due to the use of temporary staff on various projects including Transformation, HR Document Management System, DBS, and other Covid-19 related projects.

COVID related funding of £66k relating to staff diverted to the Contain Outbreak Management programme and for Workforce Capacity were allocated to the service for the year, resulting in a net £12k underspend across HR as a whole

11. Customer Service Centre - Cr £40k

Within the Customer Service Centre there was a small overspend on staffing of £6k, however this was more than offset by an underspend in supplies & services of £46k, including £9k related to software costs.

12. Registration of Births, Deaths & Marriages - Cr £46k

Income from certificate processing was above budget by £37k over the year, with further minor other underspends on supplies and services budgets resulting in a net underspend for the service of £46k.

However, the ongoing impact of the restrictions imposed due to COVID-19 significantly impacted on income from ceremonies during the year, with the resultant shortfall funded by Covid grants.

CHIEF EXECUTIVE'S DIVISION

13. Consultation and Communications - Cr £11k

There was an overspend on staffing of £6k to support COVID-19 communications requirements in the year, partially offset by a minor underspend of £2k within supplies and services.

Covid grant of £15k was allocated to the service to fund staff seconded to support communications during the year, resulting in a net £11k underspend.

14. Management and Other (C.Exec) - Dr £6k

There was an overspend of £21k on Staffing. As the team were fully staffed for the full year and were working on various COVID related projects, £11k of the overspend relates to the staffing vacancy factor not being achieved. This is offset against a £3k minor variation across supplies and services. Grant of £12k was allocated to the service from the Contain Outbreak Management funding for staff seconded during the year, resulting in a net £6k overspend.

15. Mayoral - Dr £10k

There was a £10k net overspend across mayoral service, mainly in respect of supplies and services.

CENTRAL ITEMS

16. CDC & Non Distributed Costs (Past Deficit etc.) - Cr £763k

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 budgeted. These budgets will be reviewed and adjusted if ongoing projected costs are forecast to remain lower than currently provided for.

PEOPLE DEPARTMENT

STRATEGY AND CORPORATE PROJECTS

17. Strategy and Corporate Projects Cr £621k

The final position for this division is an underspend of £621k. This has arisen from staffing vacancies that have been delayed in recruitment following the lockdown (this includes a post that was to be recharged to Capital) and the use of staff to provide COVID-19 activities without backfilling their posts (a net £696K underspend). Additional there is a running cost overspend of £110k mainly due to the Capital Recharge not taking place. There is also an over collection of income by £35k.

PLACE DEPARTMENT

TOTAL FACILITIES MANAGEMENT DIVISION

18. Admin Buildings & Facilities Support - Cr £177k

There was £166k of underspend on the MFD contract costs and £8k of underspend in staffing, with further minor net underspends on running costs at the Civic Centre and the Walnuts offices.

19. Investment & Non-Operational Property - Dr £42k

Additional costs were incurred due to properties remaining vacant partially offset by minor underspends of £8k across the service.

20. TFM Client Monitoring Team Dr £15k

Additional contract costs were offset by underspends on other budgets, including staffing £51k, energy management and utility costs £17k, plus a further £22k of minor underspends across the service.

21. Other Rental Income - Other Portfolios Dr £21k

There was a small overall reduction in rental income of £21k.

22. Repairs & Maintenance (All LBB) - Cr £67k

Within the Repairs and Maintenance budget there was an underspend of £67k for 2020/21. Due to project delays and unforeseen circumstances mainly attributable to Covid and supplier availability, there are planned projects which were original anticipated but were unable to be completed or have not yet started in 2020/21.

It is requested that the underspend of £67k in the 2020/21 R&M budget to be carried forward into 2021/22 in order to complete the outstanding projects and other essential repairs and maintenance work in the coming year.

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. There have not been any waivers approved exceeding £50k in value actioned since the last report to the Executive.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive there haven't been any virements actioned.

Allocation of Contingency Provision for 2020/21

Item	Original Contingency Provision	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					
	£	£	£	£	£		£	£	
General									
Provision for Unallocated Inflation	3,636,000	250,000		0	250,000	(3)	Cr 3,386,000		
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,825,000			0	0		Cr 1,825,000		
General Provision for Risk/Uncertainty	2,431,000			0	0		Cr 2,431,000		
Provision for Risk/Uncertainty Relating to Volume & Cost Pressures	2,182,000	363,000		0	363,000	(1)	Cr 1,819,000		
Growth for Waste Services	587,000			0	0		Cr 587,000		
Universal Credit roll out - Claimant Fault Overpayment Recoveries	750,000			0	0		Cr 750,000		
Deprivation of Liberty	118,000			0	0		Cr 118,000		
Planning Appeals - change in legislation	60,000			0	0		Cr 60,000		
Contribution to the Walnuts Development reserve	0	80,000		0	80,000	(2)	80,000		
TFM posts in RCCM	0	125,000		0	125,000	(3)	125,000		
Legal Funding	0	61,000	67,000	0	128,000	(3)	128,000		
Concessionary Fares budget adjustment	0	Cr 208,000	54,000	0	Cr 154,000	(4)	Cr 154,000		
Housing Development Fund	0	9,895,000		0	9,895,000	(4)	9,895,000		
Legal Costs	0	350,000	Cr 350,000	0	0	(4)	0		
Council Website	0	150,000		0	150,000	(4)	150,000		
Education set aside	0		Cr 500,000	0	Cr 500,000		Cr 500,000		
Apprenticeship Levy	0		42,000	0	42,000		42,000		
UC Grant returned to contingency	0		Cr 31,000	0	Cr 31,000		Cr 31,000		
GLA Inspectors grant returned to contingency	0		Cr 78,000	0	Cr 78,000		Cr 78,000		
National Living Wage	0	Cr 567,000		0	Cr 567,000	(4)	Cr 567,000		
	11,589,000	10,499,000	Cr 796,000	0	9,703,000		Cr 1,886,000	0	
Grants included within Central Contingency Sum									
Adult Social Care									
Grant Related Expenditure	210,000	210,000			210,000	(4)	0		
Rough Sleeping Initiative									
Grant Related Expenditure	104,000	104,000			104,000	(2)	0	69,846	
Grant Related Income	Cr 104,000	Cr 104,000			Cr 104,000		0	Cr 69,846	
Homeless Prevention Initiatives									
Grant Related Expenditure	424,000				0		Cr 424,000		
Grant related Income	Cr 424,000	Cr 424,000			Cr 424,000	(4)	0		
Tackling Troubled Families									
Grant Related Expenditure	628,000	348,202			348,202	(1)	Cr 279,798	566,855	
Grant related Income	Cr 628,000	Cr 348,202			Cr 348,202		279,798	Cr 566,855	
PrEP grant (Public Health)									
Grant Related Expenditure		52,330			52,330	(3)	52,330		
Grant related Income		Cr 52,330			Cr 52,330		Cr 52,330		
TOTAL CARRIED FORWARD	11,799,000	10,285,000	Cr 796,000	0	9,489,000		Cr 2,310,000	0	

Notes:

- (1) Leader April 2020
- (2) Leader July 2020
- (3) Leader November 2020
- (4) Executive March 2021

Allocation of Contingency Provision for 2020/21 (continued)

Item	Carried Forward from 2019/20	Allocations				Total Allocations/Projected for Year	Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year			
	£	£	£	£	£	£	£
TOTAL BROUGHT FORWARD	11,799,000	10,285,000	Cr 796,000	0	9,489,000	Cr 2,310,000	
Items Carried Forward from 2019/20							
Adult Care & Health Portfolio							
Social Care Funding via the CCG under S75 Agreements							
Improved Better Care Fund							
- Expenditure	2,765,753	2,765,753			2,765,753	(2)	0
- Income	Cr 2,765,753	Cr 2,765,753			Cr 2,765,753		0
Better Care Fund 2019/20							
- Expenditure	70,328	70,328			70,328	(2)	0
- Income	Cr 70,328	Cr 70,328			Cr 70,328		0
Public Health							
- Expenditure	1,534,074	1,534,074			1,534,074	(2)	0
- Income	Cr 1,534,074	Cr 1,534,074			Cr 1,534,074		0
Public Protection & Enforcement Portfolio							
Asset Recovery Incentivisation Scheme (ARIS)							
- Expenditure	132,763	132,763			132,763	(2)	0
- Income	Cr 132,763	Cr 132,763			Cr 132,763		0
Renewal, Recreation & Housing Portfolio							
Rough Sleepers Initiative							
- Expenditure	5,187	5,187			5,187	(2)	0
- Income	Cr 5,187	Cr 5,187			Cr 5,187		0
Homelessness Reduction Grant							
- Expenditure	89,000	89,000			89,000	(2)	0
- Income	Cr 89,000	Cr 89,000			Cr 89,000		0
Planning Strategy & Projects - Custom Build Grant							
- Expenditure	75,000	75,000			75,000	(2)	0
- Income	Cr 75,000	Cr 75,000			Cr 75,000		0
Historic England - Crystal Palace Park Dinosaur Conservation							
- Expenditure	25,763	25,763			25,763	(2)	0
- Income	Cr 25,763	Cr 25,763			Cr 25,763		0
New Homes Bonus - Regeneration							
- Expenditure	72,521	72,521			72,521	(2)	0
- Income	Cr 72,521	Cr 72,521			Cr 72,521		0
Children, Education and Families Portfolio							
Delivery Support Fund							
- Expenditure	18,074	18,074			18,074	(2)	0
- Income	Cr 18,074	Cr 18,074			Cr 18,074		0
Investing in Practise Grant							
- Expenditure	104,300	104,300			104,300	(2)	0
- Income	Cr 104,300	Cr 104,300			Cr 104,300		0
Extension of Virtual Heads							
- Expenditure	34,365	34,365			34,365	(2)	0
- Income	Cr 34,365	Cr 34,365			Cr 34,365		0
Reducing Parental Conflict							
- Expenditure	40,100	40,100			40,100	(2)	0
- Income	Cr 40,100	Cr 40,100			Cr 40,100		0
Tackling Troubled Families							
- Expenditure	542,798	542,798			542,798	(1) (2)	0
- Income	Cr 542,798	Cr 542,798			Cr 542,798		0
Resources							
Repairs and Maintenance (All Departments)							
- Expenditure	230,000	230,000			230,000	(2)	0
General							
L & D Funding to fund training for Adult Social Care (ASC) staff	10,000	10,000			10,000	(2)	0
Information Systems & Telephony - GDPR	132,000	132,000			132,000	(2)	0
Information Systems & Telephony	231,000	231,000			231,000	(2)	0
Human Resources - Redecoration	12,511	12,511	Cr 12,511		0	(2)	Cr 12,511
Human Resources - Training	21,000	21,000	Cr 13,000		8,000	(2)	Cr 13,000
Green Garden Waste - Debt Management System	120,000	120,000			120,000	(2)	0
Highways Projects - Lych Gate Road Footbridge	48,000	48,000	Cr 48,000		0	(2)	Cr 48,000
Arboriculture Management - Procurement of a Sonic Tomograph	30,000	30,000			30,000	(2)	0
Grounds Maintenance - Millwood Road Allotments Water Supply	30,000	30,000			30,000	(2)	0
Regeneration - Beckenham Library & Public Hall Feasibility Studies	44,460	44,460			44,460	(2)	0
Planning - Mobile Working through the IDOX System	22,000	22,000			22,000	(2)	0
Planning - Project X and IT Support Staff	105,000	105,000			105,000	(2)	0
North Lodge	79,000	79,000			79,000	(2)	0
Adult Education Match Funding	25,000	25,000			25,000	(2)	0
Total Carried Forward from 2019/20	1,139,971	1,139,971	Cr 73,511	0	1,066,460		Cr 73,511
GRAND TOTAL	12,938,971	11,424,971	Cr 869,511	0	10,555,460		Cr 2,383,511

Notes:

- (1) Leader April 2020
- (2) Relevant Portfolio Holder

Allocation of COVID Provision for 2020/21

Item	Allocations	
		Total Allocations/ Projected for Year
		£
General		
COVID-19 Government Grant tranches 1, 2, 3 & 4		
Grant Related Expenditure		16,372,011
Grant related Income	Cr	22,877,793
COVID Reserve		6,505,782
Income loss		
Grant Related Expenditure		5,359,000
Grant related Income	Cr	5,359,000
Infection Control Fund (ASC)		
Grant Related Expenditure		2,179,000
Grant related Income	Cr	2,179,000
Test and Trace Service Support Grant		
Grant Related Expenditure		1,369,923
Grant related Income	Cr	1,369,923
Infection Control Fund Round 2 (ASC)		
Grant Related Expenditure		2,356,490
Grant related Income	Cr	2,356,490
DCLG Business Support Grants (initial schemes)		
Grant Related Expenditure		49,540,000
Grant related Income	Cr	49,540,000
Mandatory Business Support Grants (subsequent schemes)		
Grant Related Expenditure		40,995,240
Grant related Income	Cr	40,995,240
Discretionary Business Support Grants (subsequent schemes)		
Grant Related Expenditure		10,482,547
Grant related Income	Cr	10,482,547
MHCLG Covid 19 Hardship Fund		
Grant Related Expenditure		1,841,000
Grant related Income	Cr	1,841,000
Next Steps Accommodation Grant (Rough Sleepers)		
Grant Related Expenditure		391,250
Grant related Income	Cr	391,250
Emergency Assistance Grant		
Grant Related Expenditure		279,000
Grant related Income	Cr	279,000
Compliance and Enforcement Grant		
Grant Related Expenditure		144,739
Grant related Income	Cr	144,739
SBGF/RHLGF Schemes New Burdens		
Grant Related Expenditure		336,475
Grant related Income	Cr	336,475
Contain Outbreak Management Fund		

Grant Related Expenditure		8,023,541
Grant related Income	Cr	8,023,541
Reopening High Streets Safely Fund		
Grant Related Expenditure		267,000
Grant related Income	Cr	267,000
COVID Winter Grant Scheme		
Grant Related Expenditure		773,000
Grant related Income	Cr	773,000
Workforce Capacity Grant		
Grant Related Expenditure		595,228
Grant related Income	Cr	595,228
Rapid Testing Fund		
Grant Related Expenditure		529,966
Grant related Income	Cr	529,966
Wellbeing for Education		
Grant Related Expenditure		39,258
Grant related Income	Cr	39,258
Community Testing Programme		
Grant Related Expenditure		686,700
Grant related Income	Cr	686,700
National Leisure Recovery Fund		
Grant Related Expenditure		761,542
Grant related Income	Cr	761,542
Support for the Clinically Extremely Vulnerable		
Grant Related Expenditure		178,996
Grant related Income	Cr	178,996
Support for the Clinically Extremely Vulnerable 2		
Grant Related Expenditure		275,314
Grant related Income	Cr	275,314
Emergency Active Travel Fund		
Grant Related Expenditure		9,000
Grant related Income	Cr	9,000
Support to BIDS		
Grant Related Expenditure		61,852
Grant related Income	Cr	61,852
Test and Trace Mandatory Support Payments		
Grant Related Expenditure		338,500
Grant related Income	Cr	338,500
Test and Trace Discretionary Support Payments		
Grant Related Expenditure		334,000
Grant related Income	Cr	334,000
Holiday Activities and Food Programme		
Grant Related Expenditure		81,330
Grant related Income	Cr	81,330
COVID-19 Rough Sleeping Contingency Fund		

Grant Related Expenditure		6,000
Grant related Income	Cr	6,000
NHS Contributions		
Grant Related Expenditure		3,033,904
Grant related Income	Cr	3,033,904
London Streetspace Fund (Capital)		
Grant Related Expenditure		346,080
Grant related Income	Cr	346,080
Emergency Active Travel Fund (Capital)		
Grant Related Expenditure		41,000
Grant related Income	Cr	41,000
Business Rates Relief Schemes		
Grant Related Expenditure		55,030,000
Grant related Income	Cr	55,030,000
TOTAL CARRIED FORWARD		0

Grant Related Expenditure		209,564,668
Grant Related Income	Cr	209,564,668

APPENDIX 5

Description	2020/21 Latest Approved Budget £'000	Variation To 2020/21 Budget £'000	Potential Impact in 2021/22
Housing Needs - Temporary Accommodation	8,366	314	The full year effect of Temporary Accommodation is currently estimated to be £1,124k. This estimate only takes into account the activity to the end of this financial year and not any projected growth in client numbers beyond that point.
Assessment and Care Management - Care Placements	23,974	866	The full year impact of the current overspend is estimated at £2,495k . Of this amount £1,849k relates to residential and nursing home placements and £646k to domiciliary care / direct payments . This is based on service user numbers as at the 31st March.
Learning Disabilities - including Care Placements, Transport and Care Management	37,084	114	The full year effect (FYE) is estimated at a net overspend of £2,064k which is considerably higher than the in-year overspend and this is broadly a result of two main factors: 1) The reduced costs that have been experienced in 2020/21 due to the impact of Covid have been assumed to be largely short term and non-recurrent and the FYE is based on services resuming to normal levels in 2021/22. There continues to be a degree of uncertainty in relation to the financial impact of the pandemic and this may not be the case, particularly in the early part of the financial year. The situation will be kept under review as part of 2021/22 budget monitoring. 2) The impact of growth pressures from transition and increased / new care packages has only a part-year impact in 2020/21 with a far greater impact in a full year.
Mental Health - Care Placements	7,211	523	Based on care packages in place at 31st March 2021 the full year impact of the Mental Health overspend is estimated at £436k. This is positive in that it is less than the growth included in the 2021/22 budget but risks remain going forward regarding clients with increasingly complex needs and increased reliance on expensive packages of care.
Children's Social Care	36,032	4,138	The overall full year effect of the Children's Social Care overspend is a net £4,138k, analysed as Residential Care, Fostering and Adoption Dr £3,474k and Leaving Care costs of £664k.
Legal Services - Legal / Counsel Fees and Court costs	363	124	The expected overspend on counsel fees and court costs in 2019/20 was due to the continuing trend of high volume in child care cases. Case numbers had reduced in recent years but 2019/20 saw a significant increase with 70 sets of care proceedings being issued. If cases continue at that level the budget for 2020/21 will be inadequate and unsustainable in future years. Going forward specific funding bids may be made for major litigation or projects where internal resource will be insufficient, as was achieved for a complex childcare case for which £100k was secured to cover costs across 2019/20 & 2020/21. If volumes of child care cases reduce and there are good levels of staff retention that figure will start to reduce in 2021/22. However unlike most of London which is seeing a decrease in cases , case numbers in Bromley have risen It is difficult to predict what pressures will arise around litigation claims and similar which often arise at short notice or as a response to events which are unforeseen at this point in time. A review has been undertaken of the business and funding models for legal services to explore options to restore financial sustainability and additional budget of £183k has been agreed from 2021/22. The part year effect of this for 2020/21 was £61k and is included within the figures reported for the full year

Carry Forwards from 2020/21 to 2021/22**WITHIN DELEGATED AUTHORITY****RESOURCES PORTFOLIO****1 Repairs and Maintenance 67,000**

Within the Repairs and Maintenance budget there was an underspend of £67k for 2020/21. Due to project delays and unforeseen circumstances mainly attributable to Covid and supplier availability, there are planned projects which were original anticipated but were unable to be completed or have not yet started in 2020/21. It is requested that the underspend of £67k in the 20/21 R&M budget to be carried forward into 2021/22 in order to complete the outstanding projects and other essential repairs and maintenance work in the coming year.

 67,000
MEMBERS' APPROVAL REQUIRED**Grants with Explicit Right of Repayment****ADULT CARE AND HEALTH PORTFOLIO****2 Better Care Fund (BCF) 113,292**

Bromley's Better Care Fund (BCF) allocation for 2020/21 was £22,902k. Some areas within BCF, including those for intermediate care and dementia support, were not fully spent by 31st March 2021. Under the pooled budget arrangement with South East London CCG underspends are carried forward for spending on BCF activities in 2021/22. This funding will be allocated to agreed projects together with new BCF funding for 2021/22.

 113,292
Adult Care and Health Portfolio**CHILDREN EDUCATION & FAMILIES PORTFOLIO****3 Community Testing Programme 302,030**

During 2020/21 £687k of Community Testing Programme COVID grant was allocated to the London Borough of Bromley. The programme only started in January 2021 and only £385k was spent. Therefore Members are asked to approve a carry forward request of £302k to allow the grant to be used during 2021/22.

4 Holiday Activities and Food Programme 81,330

During 2020/21 £81k of Holiday activities and Food Programme Grant was allocated to the London Borough of Bromley, which was received late in the financial year and too late to effectively and efficiently utilise in 2020/21. Therefore Members are asked to approve a carry forward request of £81k to allow the grant to be used during 2021/22.

 383,360
Childrens, Education and Families Portfolio**ENVIRONMENT & COMMUNITY SERVICES****5 Clinically Extremely Vulnerable COVID Grant 275,314**

During 2020/21 £454k of Clinically Extremely Vulnerable COVID grant was allocated to the London Borough of Bromley, of which £275k was only received at the end of March 2021 and too late to be able to effectively utilise during 2020/21. Therefore Members are asked to approve a carry forward request of £275k to allow the grant to be used during 2021/22.

 275,314
Environment and Community Services Portfolio**RENEWAL, RECREATION AND HOUSING PORTFOLIO****6 Rough Sleepers Initiative 69,846**

This funding has been carried forward to bolster the delivery rough sleeping funded work in 2020/21, primarily to secure private sector accommodation to prevent or relieve homelessness. A Private Rented Procurement Officer is currently being recruited to lead on this area of work.

7 Next Steps Accommodation Programme 239,611

There has been difficulties in recruitment of posts to utilise this funding in 2020/21. However the recruitment campaign is now underway and it is envisaged that the posts will be recruited to in order to scope and deliver a single homelessness and rough sleeping pathway, within the Housing Options Service.

8 Discretionary Business Grants 7,387,870

During 2020/21 £10.48m of Additional Restrictions Grant (ARG) and Local Restrictions Support Grant (LRSG) was allocated to London Borough of Bromley. This was to be distributed through a range of Discretionary Business Grant schemes to Bromley businesses through an application process. This piece of work is still ongoing with £7.38m of the grant still to be allocated to Businesses through the scheme. Members are therefore requested to approve a carry forward request of £7.38m to enable the grant to be fully distributed in 2021/22.

9 Historic England - Crystal Palace Park Dinosaur Conservation 36,847

Historic England have identified the Victorian Dinosaurs located at Crystal Palace Park on the Heritage at Risk register. Grant funding of £26k was received in March 2020 and a carry forward request was approved to 2020/21. Further grant funding of £57k was received in 2020/21. The grant has been provided to fund hydrological surveys and research to try and identify why there are significant cracks amongst the sculptures and onset of decay. The dinosaurs are located on man made islands set in the parks lakes and it is thought that ground movement and water levels may be contributing to the damage. Some Hydrological survey work and dinosaur repairs were undertaken during 2020/21 but not all of the work has been completed. The impact of COVID-19 has resulted in some delays to these works. Therefore Executive are asked to consider a carry forward request for the remaining £37k of grant to 2021/22 for this purpose.

10 New Homes Bonus - Regeneration 72,521

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), Biggin Hill Technology & Enterprise centre and Lagoon Rd industrial estate refurbishment. At the end of 2020/21, £72521, relating to Penge town centre where a number of improvements are still to be delivered, remains unspent and a carry forward is requested to enable the final phase of the scheme to be completed.

Renewal, Recreation and Housing Portfolio 7,806,695

Total Expenditure to be Carried Forward 8,578,661
Total Grant Income -8,578,661

Grants with no Explicit Right of Repayment

ADULT CARE AND HEALTH PORTFOLIO

11 Improved Better Care Fund (IBCF) 2,546,601

A total of £10,270k Improved Better Care Funding (IBCF) was available for spending in 2020/21. This included both the Winter Pressures Grant and non-recurrent IBCF allocation, along with an amount brought forward from 2019/20. Some of the funding earmarked for spending in 2020/21 was not spent and, in line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years.

12 Test and Trace Service Support Grant	747,435
<p>The Council received an allocation of £1,370k for the Test and Trace Service Support Grant to cover expenditure in relation to the mitigation against and management of local outbreaks of COVID-19. A total of £623k was spent during 2020/21 and the balance of £747k is requested to be carried forward to 2021/22.</p>	
13 Public Health Grant	1,855,421
<p>The ring-fenced Public Health Grant underspent as follows:</p> <p>£141k in 2014/15 £152k in 2015/16 £330k in 2016/17 £395k in 2017/18 £761k in 2018/19 £358k in 2019/20</p> <p>This total balance of £2,137k was carried forward to 2020/21 to fund public health initiatives as per the terms of the grant. Of this amount, £603k was used as a contribution to School Nursing as agreed as part of the 2020/21 budget setting. In addition for 2020/21 the grant underspent by £321k. The net cumulative balance of £1,855k is requested to be carried forward to fund public health initiatives in future years.</p>	
14 Contain Outbreak Management Fund	3,967,511
<p>The Council received a total allocation of £8,024k for the Contain Outbreak Management Fund to cover expenditure in relation to the mitigation against and management of local outbreaks of COVID-19. A total of £4,056k was spent during 2020/21 and the balance of £3,968k is requested to be carried forward to 2021/22.</p>	
Adult Care and Health Portfolio	9,116,968
<u>CHILDREN EDUCATION & FAMILIES PORTFOLIO</u>	
15 Troubled Families Grant	566,855
<p>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 2020/21</p>	
16 Deed Settlement for Hawes Down Site	12,119
<p>The funding was received from the DfE as part of a Deed Settlement following Langley Park Free School's temporary use of the Hawes Down Centre. Terms of Deed of Settlement include that the funds can only be spent on the centre, and not to carry forward the funding would be a breach of the legal agreement.</p>	
17 NHS England on training for staff	90,000

Bromley YOS has a commitment to ensure that all children and young people in contact with the criminal justice services have access to appropriate health services. We have therefore managed to secure funding from NHS England to facilitate and provide a liaison and diversion (L&D) service located within the YOS with a L&D wellbeing practitioner in Bromley YOS. Liaison and Diversion (L&D) services aim to provide early intervention for vulnerable people as they come to the attention of the criminal justice system. L&D services provide a prompt response to concerns raised by the police, probation service, youth offending teams or court staff, and provide critical information to decision-makers in the justice system, in real time when it comes to police charging people or courts sentencing. We have our own provision operating at Bromley police station. The Practitioner provides face to face early intervention services to young people in contact with offending services, and their families to offer support to our most vulnerable children and young people when they are arrested and at the police station. We work with partners and providers to divert and support young people away from the justice service offering support and interventions. We are keen to expand the work and enhance and upskill our staff group to intervene effectively to effect change and reduce offending and re-offending.

18 Probation Service Grant 5,000

The National Probation Service has over the years provided £5k to all YOS in England. This is typically used to provide in service training and development for the seconded probation officer and staff working with high risk and high vulnerability children. We have been unable to deliver training in this regard due to covid and are currently working with a provider on virtual training over the coming months. It is anticipated that spend related to both carry forward sums will be largely spent this year.

Childrens, Education and Families Portfolio

673,974

ENVIRONMENT AND COMMUNITY PORTFOLIO

19 Support for the Clinically Extremely Vulnerable 274,314

During 2020/21 £454k of Clinically Extremely Vulnerable COVID grant was allocated to the London Borough of Bromley. £275k of this grant was received during March 2021 and this was too late to be able to effectively utilise the grant during 2020/21. Therefore Members are asked to approve a carry forward request of £275k to allow the grant to be used during 2021/22.

Environment and Community Portfolio

274,314

PUBLIC PROTECTION AND ENFORCEMENT PORTFOLIO

20 Appeal and Enforcement - Asset Recovery Incentivisation Scheme (ARIS) 132,758

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). A further carry forward was approved to 2019/20. Works undertaken during 2019/20 were funded from underspends elsewhere in the service, enabling the funding to be carried forward for another year. In 2020/21 no associated works were undertaken due to the ongoing impact of COVID affecting work priorities and causing significant delays to planned work. Members are therefore asked to approve a carry forward request for both the income and expenditure budget to 2021/22.

21 London Crime Prevention Fund from the Mayor of London Office for Policing and Crime (MOPAC) 28,119

Due to the impact of COVID-19 measures and restrictions not all of the 2020/21 MOPAC grant allocation was fully spent within the Public Protection and Enforcement Portfolio. This vital funding helps to fund a number of schemes and initiatives designed to reduce crime levels within Bromley. In order to maximise this funding members are asked to approve a carry forward request of £28k to 2021/22.

Public Protection and Enforcement Portfolio 160,877

RENEWAL & RECREATION AND HOUSING PORTFOLIO

22 Homelessness Reduction Grant 89,000
This money was set aside in 2018/19 to fund work preventing and relieving homelessness for young people and will be required to implement the initiatives identified through the work with the MHCLG specialist adviser. The work has not been completed and it is requested to carry it forward to 2021/22 when it is expected that the work will be completed.

23 Planning Strategy & Projects - Custom Build Grant 75,000
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 grant. A further £15k has been awarded in 2019/20. 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 agreed a carry forward to 2019/20. Works during 2019/20 were funded from underspends elsewhere in the service and therefore Executive approved a further carry forward of these grants in order to carry out the works in 2020/21. In 20/21 no associated works were undertaken due to the ongoing impact of COVID affecting work priorities and causing significant delays to planned work. Members are therefore asked to approve a further carry forward to 2021/22.

Renewal, Recreation and Housing Portfolio 164,000

RESOURCES, COMMISSIONING AND CONTRACTS

24 Test and Trace Discretionary Support Payments 276,500
The Council received grants of £334k in 2020/21 towards expenditure incurred in relation to the delivery of the Test and Trace Support Payment scheme, which is to support people on low incomes who have been told to self-isolate who are unable to work from home and will lose income as a result. The Council has discretion on the criteria for making payments for this element of the scheme. Payments of £58k had been made by 31 March 2021 and therefore the balance of the grant is requested to be carried forward.

Resources, Commissioning & Contracts Management 276,500

Total Expenditure to be Carried Forward 10,392,319
Total Grant Income -10,392,319

OTHER CARRY FORWARD REQUESTS

ADULT CARE AND HEALTH PORTFOLIO

25 Review of S31 Mental Health arrangements 20,000

The Council and the Oxleas NHS Foundation Trust have agreed to undertake a review of the s31 arrangements and plan to employ an external contractor to carry out this work. The review will look at amongst other things the support given to staff seconded from the Council to the NHS Trust and an audit of the NHS Trust's implementation of the Care Act 2014 responsibilities it performs on behalf of the Council. This work is scheduled to take place over the Summer 2021 and will be funded from the 2020/21 underspend by both organisations. It is estimated that the Council's contribution to the review will be up to £20k.

26 Public Health Underspend 2020/21	5,300
MOPAC funding through the Bromley Safer Neighbourhood Board had been secured by Public Health during 2020/21. Due to the pandemic the funding was not able to be used during the year, so it is therefore requested to be carried forward to 2021/22.	
	<hr/> 25,300

RESOURCES, COMMISSIONING AND CONTRACTS PORTFOLIO

27 FIS Upgrade Support	35,000
Budget provision for additional short term resources to support the upgrade of the Council's key financial systems was not needed in 2020/21. However, this vital work will be undertaken during 2021 leading up to implementation in 2022 and a carry forward of £35k is requested.	
28 Audit Support	30,000
Following the secondment of core audit resources to Covid 19 work programmes and additional assurance work required by the Covid 19 Business Support Grants, this carry forward is requested to enable additional resources to be brought in from the Croydon Framework (APEX) contract.	
29 IT Software and Security Upgrades	185,000
This carry forward from the service's underspend in 2020/21 is requested to contribute towards the significant cost of essential forthcoming upgrades to Windows 10 and Information Security software. Members are also advised that ahead of the expiry of the current contract with BT in March 2023, a further funding request is anticipated during the course of Q2 in order to undertake a full IT contract procurement process.	
30 TFM Client Monitoring Team - Transformation of Property Services	50,000
In July 2020 funding was agreed for the staffing required to undertake the transformation of property services across the Council. Within this staffing were fixed term posts for which the budget was drawn down but the posts not filled. It is requested that this be carried forward into 2021/22 in order to fund the posts as intended.	
	<hr/> 300,000

ENVIRONMENT AND COMMUNITY PORTFOLIO

31 Highways - Street Lighting Upgrade Scheme	200,000
During 2020/21 the street lighting new installations budget was not fully spent as not all project work went ahead with emphasis in year on the main roads replacements. Executive are requested to approve a carry forward of £200k, funded through underspends within the service, to enable the continued roll out of the lamp column replacements and LED upgrades across the Borough.	
	<hr/> 200,000

RENEWAL & RECREATION AND HOUSING PORTFOLIO

32 Planning - Digitalisation Project	105,000
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Project X is a self-service digital planning guide and a requirement for this at a cost of £40k was identified and scheduled to be implemented in March 2020. Due to COVID-19 restrictions this did not take place as originally planned in 2019/20. . A need for a temporary IT support employee was also identified to assist with the roll out of this scheme and also the mobile working via IDOX, at an approximate cost for one year of £65k. A carry forward request was approved to implement the scheme and provide the IT support in 2020/21. However the continued impact of COVID during 2020/21 has prevented the scheme from being implemented as planned. Therefore Executive are requested to approve a further carry forward of £105k, funded through underspends within the service, to enable the project work to be completed in 2021/22.

 105,000

CHILDREN EDUCATION & FAMILIES PORTFOLIO

33 Wellbeing for Education

39,258

Mental Health and Wellbeing is a key priority in Education, following what has been a challenging year for our children, young people and families. We continue to work closely with partners and have sought to maximise support by enhancing and complementing the existing initiatives for mental health and wellbeing for children and young people affected by the lockdowns and anxieties related to the pandemic.

In collaboration with our partners, we have developed a comprehensive Mental Health and Wellbeing offer, including the toolkit for schools, working with the Anna Freud centre to deliver the LINK programme and set out the Local Area's Mental Health Action Plan with partners. We are keen to expand this work further, using the WER grant from the DfE.

The funding is proposed to go to the following:

- Production of digital materials to support the Mental Health and Wellbeing Toolkit & admin costs charged to grant - £11k
- Development of new MH advice services - £3k
- 'Managing worries' workshop for pupils and parents to build support networks for parents, resilience and access to advice and services earlier - £6k
- Bromley Y to provide four additional workshops for all schools on managing their own emotional health and wellbeing, outside of school hours - £2k
- targeted groupwork with protected characteristics groups - £3k
- Targeted groupwork for young people experiencing loss and increased anxiety - £10k
- Workshops to school staff on self-harm - £4k

34 North Lodge

79,000

To refurbish the North Lodge in order to provide a Care Leavers Hub, improving services for young people. The house will allow the service to meet and engage with young people in a less formal environment. Additional group work events are planned for young people who are NEET (not in education employment or training) as well as group sessions for young mothers and young people preparing to leave care. The group work programme will offer important life skills as well as create new relationships and benefit from support from staff. The active involvement team also run the Living in Care Council (LinCC) and the Change for Care Leavers Forum (CFCL) which operate fortnightly. Both groups offer social opportunities for young people to meet other care experienced young people but those involved also work with officers to inform thinking around how practice is delivered to ensure we are responding to their needs. Funding of £79k is required to carry out the refurbishment.

 118,258

Total Other

748,558
TOTAL CARRY FORWARD TO 2021/22

748,558

EARMARKED GENERAL FUND BALANCES - 2020/21

Description	Balance at 31/03/2020	Expend- iture	Income		Balance at 31/03/2021
			Contribs.	Interest	
EARMARKED BALANCES	£'000	£'000	£'000	£'000	£'000
LPSA Reward Grant	76				76
Technology Fund	5,117	3,885		66	1,298
LAA Pump Priming Grant	155				155
Town Centre Improvement Fund (LABGI)	55				55
Investment to Community	325	29			296
R & R Redundancy Reserve	116				116
Works to Property	100				100
Planning Services Charging Account	25	234	302		93
Government Grants	5,267	5,267	9,981		9,981
Invest to Save	18,195	500	532		18,227
One off Member Initiatives	858	35			823
Infrastructure Investment Fund	1,426	867			559
Commissioning Authority Programme	365				365
Health & Social Care 'Promise Programme'	3,953				3,953
Housing Strategy Account	25				25
Community Right to Bid & Challenge	46				46
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	1,614				1,614
Collection Fund Surplus Set Aside	25,919		5,872		31,791
Healthy Bromley Fund	3,815				3,815
Glaxo Wellcome Endowment	113	28		1	86
Cheyne Woods and Cyphers Gate	141	3			138
Public Halls Fund	5				5
Future Repairs of 145, High Street	67		12		79
Parallel Fund	2,903				2,903
Health & Social Care Integrated Commissioning Fund	3,550	520			3,030
Financial Planning & Risk Reserve	10,000				10,000
Bromley Welfare Fund	639	147			492
Payment in Lieu Reserve for Temporary Accommodation	149		115		264
Business Rates Risk Reserve	4,200				4,200
Crystal Palace Park Improvements	26				26
Various Joint Schemes and Pump Priming Investments	2,291	506	1,925		3,710
Transition Fund	2,560				2,560
Environmental Initiatives	500	47			453
Planning/Planning Enforcement	119	104			15
Apprenticeship Scheme	171	19			152
Civic Centre Development Strategy	271	14			257
Professional Advice for Future Schemes	147	8			139
Utilisation of New Homes Bonus	2,256		1,612		3,868
Future Pensions Risk on Outsourcing	897		347		1,244
West Wickham Leisure Centre & Library Redevelopment	624	1			623
Income Equalisation Reserve	3,790		1,520		5,310
Transformation Fund	1,424	179			1,245
Investment Fund	6,148	5			6,143
Growth Fund	21,420	44			21,376
Capital Funding for Property Disposal/Feasibility Works	78				78
Biggin Hill Airport Project	124	48			76
Transformation Programme	488	145			343
Housing Investment Fund	18,840	53	9,895		28,682
High Street & Parks Improvement Fund	71				71
Contribution to YES Funding for 2019/20	45				45
Day Centre Rent Relief	6				6
Housing Invest to Save	3,409				3,409
Health Facilities Fund	993				993
Health & Social Care Transformation Fund	1,500				1,500
Housing feasibility and viability	250	122			128
New Reserves Set Up in 2020/21					

Website Update	0		150		150
Carbon Neutral Initiatives Fund	0		875		875
COVID recovery Fund	0		3,767		3,767
Walnuts Development	0	10	80		70
Hospital Discharge Funding	0		1,677		1,677
<u>For Approval this cycle</u>					
Housing Investment Fund			3,887		3,887
IT Services Procurement			197		197
COVID Recovery Fund			6,506		6,506
Sub-Total	161,390	12,820	49,252	67	197,889
Schools	1,739		811		2,550
DSG Reserve (new in 2020/21)	0	1,139			-1,139
Insurance Fund	4,396	12			4,384
Sub-Total	167,525	13,971	50,063	67	203,684
Business Rates Adjustment Account (new in 2020/21) *			63,407		63,407
Collection Fund Deferred Costs Reserve (new in 2020/21)**			2,662		2,662
TOTAL	167,525	13,971	116,132	67	269,753

* Although the Council is required to account for this balance as a Reserve in 2020/21, it is important to note that equivalent spend will be incurred during 2021/22.

** This Reserve represents grants received and accrued for in 2020/21 which will be used to fund costs that will accrue during 2022/23.

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 March 2020 £000	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31st March 2021 £000
<u>Revenue</u>					
175	Highway Improvement Works	20	-	20	175
0	Road Safety Schemes	30		-	30
8	Local Economy & Town Centres			-	8
70	Parking			-	70
0	Education	17			17
2,151	Healthcare Services	86	993	- 39	1,205
43	Community Facilities		33	-	10
272	Other	92	10	- 55	299
<u>2,719</u>		<u>245</u>	<u>1,036</u>	<u>- 114</u>	<u>1,814</u>
<u>Capital</u>					
4,038	Education	137	30	-	4,145
-	Highways			20	20
3,408	Housing	2	998	-	2,412
932	Local Economy & Town Centres	1	248	-	685
4	Other		57	94	41
<u>8,382</u>		<u>140</u>	<u>1,333</u>	<u>114</u>	<u>7,303</u>

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 2021.

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 2021, the end of the 2020/21 financial year. The table below shows an overall increase in balances of 811k from £1,739k to £2,550k). This increase can be seen to be across both revenue and capital balances and across the primary and special schools sectors detailed below. Schools have reported the increase due to establishments being closed during COVID19 pandemic.

	Nos	Accrued Balances at 1 April 2020	Under/ Over () Expenditure in 2020/21	Accrued Balances at 31 March 2021	Analysis of Balances as at 31 March 2021						Nos
					Committed Revenue	Uncommitted Revenue	Devolved Formula Capital	Other Capital	Community Focussed Extended Services	Total Balances	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Primary Schools	4	766	196	962	662	251	49	0	0	962	4
Secondary Schools	1	250	-17	233	27	206	0	0	0	233	1
Special Schools	2	723	632	1,355	185	1,115	24	31	0	1,355	2
Total	7	1,739	811	2,550	874	1,572	73	31	0	2,550	7

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 overspend of £4,021k on DSG funded.

An analysis of the main variations is provided below:

	£000 Outturn Variance
SEN - FE College	1,053
SEN - Placements & Matrix	3,263
Free Early Education	Cr 371
Home and Hospital	317
Other Variations	Cr 241
Final Outturn	4,021

The most significant variations above are:-

a) SEN placements has overspend by a total of £3,263k. These overspends are split as follows:-

Residential Placements - £366k

Top-Up Funding - £2,232k

Alternative Provisions - £665k

b) The in-year underspend on Early Years payments was £371k. This is split between the 2 years old funding (underspend of £70k) and 3 & 4 year old Funding (underspend of £301k).

c) The Home and Hospital service has a projected overspend of £317k and this is mainly due to the need to use agency staff to support the number of children being directly looked after by the team

d) The Post 16 placements have overspend by £1,053k.

e) The DSG overspend in year is £4,021k. This will be offset by the £1,733k carried forward from 2019/20. There is also an adjustment of £301k of additional income to the carry forward figure for Early Years Prior Year Adjustment. It was also agreed to use £252k of the brought forward balance to support the services in-year. It was also agreed to use the £1,100k of this years DSG allocation that was set aside to support future years pressures as pressures were emerging faster than anticipated. This gives us an estimated DSG deficit balance to be carry forward of £1,139k into the new financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements.

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.

Six schemes have been approved to date and, as at 31st March 2021, the actual balance on the Fund stood at £18,226k as detailed in the table below:

Scheme	Approval date (Council/Exec)	Contrib- utions £'000	To 31st March 2021			Net "loan" 31/03/2021 £'000
			Approved "loans" £'000	Advanced from Fund £'000	Repaid to Fund £'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		8,507	11,366	12,788	-1,422
Bellegrove - refurbishment	Jan-13		400	508	508	0
Stamented pupils - travel training	Apr 13 & Jul 14		460	272	272	0
Transfer CSC to Liberata	Sep-13		330	322	322	0
Salix street lighting upgrade	Aug-19		500	500	0	500
			17,304	10,417	13,188	14,110
Actual Fund balance 31/03/21						18,226

Report No.
CSD21081

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 July 2021

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME OUTTURN 2020/21

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 At its meeting on 30th June 2021 the Executive considered and approved the attached report setting out the final outturn on capital expenditure and receipts for 2020/21. Capital expenditure in the year was £19.7m, compared to the final approved budget of £46.0m, resulting in a total net variation of Cr £26.3m. For funding purposes, £15.0m slippage was assumed in the Quarter 3 capital monitoring report, so there was an overall variation of Cr £11.3m in the use of capital receipts and external and revenue contributions. Council is recommended to agree the addition of £2,443k to the Disabled Facilities Grant capital scheme to reflect the grant allocation received.

2. **RECOMMENDATIONS**

Council is recommended to approve the increase of £2,443k to the Disabled Facilities Grant scheme to reflect the 2020/21 allocation as detailed in paragraph 3.2.1 of the attached report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

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

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £46.0m in 2020/21
 5. Source of funding: Capital receipts, external grants/contributions & revenue contributions
-

Personnel

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: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

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

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring Q3 2020/21 & Capital Strategy 2021 to 2025, Executive 10 th February 2021; Capital Programme Monitoring Q3 2019/20 & Annual Capital Review 2020 to 2024, Executive 12 th February 2020

Decision Maker: Executive
Council

Date: Executive June 30th 2021
Council July 12th 2021

Decision Type: Non-Urgent Executive Key

Title: CAPITAL PROGRAMME OUTTURN 2020/21

Contact Officer: Katherine Ball, Principal Accountant
Tel: 020 8313 4792 E-mail: katherine.ball@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 2020/21. Capital expenditure in the year was £19.7m, compared to the final approved budget of £46.0m, resulting in a total net variation of Cr £26.3m. For funding purposes, £15.0m slippage was assumed in the Quarter 3 capital monitoring report, so there was an overall variation of Cr £11.3m 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 amendment to the Capital Programme for 2021/22:

- (i) Approve an increase of £2,443k to the Disabled Facilities Grant scheme to reflect the 2020/21 allocation as detailed in paragraph 3.2.1;

2.2 **Council is requested to:**

- (b) Approve the increase of £2,443k to the Disabled Facilities Grant scheme to reflect the 2020/21 allocation as detailed in paragraph 3.2.1;

Impact on Vulnerable Adults and Children:

1. Summary of Impact: None arising from this report.

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: £46.0m in 2020/21
5. Source of funding: Capital receipts, external grants/contributions & revenue contributions

Personnel

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

Procurement:

1. Summary of Procurement Implications: None arising from this report.

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 2020/21

3.1.1 The final capital outturn for the year was £19.7m, compared to the final revised budget of £46.0m. The total net variation is Cr £26.3m, which is primarily due to slippage in the Renewal, Recreation & Housing Portfolio (Cr £17.3m) and the Children, Education & Families Portfolio (Cr £4.0m) as summarised in the table below:

Portfolio	Latest	Final	Variation	
	Approved Budget 2020/21	Outturn 2020/21	2020/21	
	£m	£m	£m	
Children, Education & Families Portfolio	9.8	5.8	Cr	4.0
Adult Care & Health Portfolio	0.1	0.0	Cr	0.1
Environment & Community Services Portfolio	11.8	8.1	Cr	3.7
Renewal, Recreation & Housing Portfolio	20.3	3.0	Cr	17.3
Executive, Resources & Contracts Portfolio	4.0	2.8	Cr	1.2
Latest approved Capital Programme	46.0	19.7	Cr	26.3
Less: further slippage assumed for financing purposes	Cr 15.0	-		15.0
	31.0	19.7	Cr	11.3

3.1.2 These slippages will be re-phased into 2021/22 as shown in Appendix 1.

3.1.3 As set out in the Capital Programme Monitoring (3rd quarter) report to the Executive on 10th February 2021, further slippage of £15.0m 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 £11.3m.

3.2 Variation requiring approval (£2,443 net increase)

3.2.1 Disabled Facilities Grant scheme (£2,443k increase in 2021/22)

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 2021/22 totals £2,443k. 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. The Executive is requested to agree the addition of £2,443k to the DFG capital scheme to reflect this grant allocation.

3.3 Children, Education & Families Portfolio

3.3.1 The slippage for Education, Children & Families Portfolio is £4m against a total budget of £9.8m. This is mainly due to £1.0m of slippage on the Capital Maintenance in Schools scheme. The Capital Maintenance programme underspent because the £909k contribution towards the Marjorie McClure project being delivered by the DfE as agreed by the Executive on 1 April 2020 has not yet been requested by the DfE. The Capital Programme in previous quarters had re-profiled Basic Need funding into 2021/22 due to an anticipated in-year underspend. Although the Basic Need programme did underspend compared to the start year 2020/21 budget the underspend was slightly lower than projected. All variations have been re-phased into 2021/22.

3.4 Adult Care & Health Portfolio

3.4.1 The variation for Adult Care & Health Portfolio schemes was Dr £0.1m against a budget of £0.1m.

3.5 Environment & Community Services Portfolio

3.5.1 There was overall slippage of £3.6m on schemes in the Environment & Community Services Portfolio compared to a total portfolio budget of £11.7m. There was slippage of £1.2m on the Depot Improvement works scheme due extensive surveys (influencing the whole design) and the Environment Agency's late release of guidance regarding requirements to enclose the Waste Transfer Stations have been the primary causes for delay and resultant lower costs with regard to design and construction. There was also slippage of £0.6m on the LIP Formula Funding scheme due to delays in design works being agreed as well as works then being planned for quieter periods to affect motorists as little as possible. Slippage on other schemes totalled a further £1.7m.

3.6 Renewal, Recreation & Housing Portfolio

3.6.1 There was net slippage of £17.4m on the capital schemes in the Renewal, Recreation & Housing Portfolio from a total portfolio budget of £20.4m, mainly due to total slippage of £9.5m on the York Rise, Burnt Ash Lane & Anerley & Chislehurst housing schemes due to scheme delays including change of contractor and time scales relating to planning process. These variations have been re-phased into 2021/22. Due to Covid there was also slippage of £0.9m on the Bromley High Street Improvements scheme, as the project progressed more slowly than originally anticipated and the contract with the consultants was terminated in May 2021 with £101k spent. There was also slippage of £1.0m on the Chislehurst Library Replacement scheme, £0.8m on the Disabled Facilities Grant scheme, £0.6m on the Replacement of District Heating scheme and £0.6m on the West Wickham Leisure Centre scheme.

3.7 Executive, Resources & Contracts Portfolio

3.7.1 There was overall slippage of £1.2m on schemes in the Executive, Resources & Contracts portfolio compared to a total portfolio budget of £4m. There was slippage of £0.9m on the IT Transformation scheme, and £0.8m on the Civic Centre Development Strategy, offset by offset by accelerated expenditure on the Social Care Case Management scheme.

3.8 Block Capital Provisions

3.8.1 The outturn position for 2020/21 block capital provisions is shown in the table below:

	Budget 2020/21 £'000	Actuals 2020/21 £'000	Variance 2020/21 £'000
Resources, Commissioning & Contracts Management			
Emergency Works on Surplus Sites	106	30 Cr	76
Adult Care and Health			
Disabled Facilities Grants - DFG	1,890	1,050 Cr	840
Total	1,996	1,080 Cr	916

3.9 Financing of the Capital Programme

3.9.1 The financing of 2020/21 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	46.0		
Less - assumed slippage for financing purposes	Cr 15.0		
Total Capital Expenditure (net of slippage)	31.0	19.7	Cr 11.3
Financed By			
Usable Receipts	1.4	1.1	Cr 0.3
Revenue Contributions	8.3	5.1	Cr 3.2
Government Grants	11.1	8.4	Cr 2.7
Other Contributions	10.3	5.1	Cr 5.2
Total	31.1	19.7	Cr 11.4

3.9.2 During 2020/21, capital monitoring reports have been considered by the Executive on a quarterly basis, in July 2020, November 2020 and February 2021, 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 2020).

3.10 Capital Receipts

3.10.1 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 2020/21 for new capital receipts from asset disposals was £1.9m and was lower than the estimated figure reported to the Executive in February 2021 (£3.9m).

3.10.2 The table below provides a breakdown of the unapplied capital receipts totalling £25.2m that will be carried forward to finance expenditure in 2021/22 and later years. £1.1m was applied for financing capital expenditure during 2020/21 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 2020/21. To date, £20.3m of capital receipts have been earmarked to supplement the Investment Fund for the purchase of investment properties, of which £4.4m has been utilised to date, leaving £15.9m, so a total of £9.3m remains available to finance capital expenditure in future years.

	Usable Receipts £m
Unapplied Balance b/f April 2020	24.4
Total Receipts during 2020/21	1.9
Receipts applied to finance expenditure	Cr 1.1
Unapplied Balance c/f as at 31 March 2021	25.2
Receipts earmarked for Investment Properties	Cr 15.9
Balance available to fund future expenditure	9.3

3.11 Section 106 Receipts

3.11.1 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 decreased from £8,382k as at 31st March 2020 to £7,245k as at 31st March 2021, as more receipts were used to finance actual capital expenditure than those that were received. The remaining balance will be used to finance capital expenditure from 2021/22 onwards. Balances and in-year movements are shown in the following table.

Agreed Service Area	Balance b/f 01/04/20 £'000	Receipts 2020/21 £'000	Expenditure 2020/21 £'000	Balance c/f 31/03/21 £'000
Housing Provision	3,407	2	997	2,412
Education	4,037	138	30	4,145
Highways	0	0	0	0
Local Economy	932	1	247	686
Other	6	54	58	2
Total	8,382	195	1,332	7,245

3.12 Investment Fund and Growth Fund

3.12.1 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.

3.12.2 Appendix 3 provides a detailed analysis of the Funds dating back to their inception in September 2011. To date schemes totalling £119m have been approved (£92.3m on the Investment Fund, and £26.5m on the Growth Fund), and the uncommitted balances as at end of March 2020 stand at £12.5m for the Investment Fund and £12.7m 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 2020/21, although there were earmarked revenue contributions totalling £5.0m towards the cost of specific capital schemes from the Growth Fund, Technology Fund, Housing Investment Fund and Infrastructure Investment Funds. The provisional revenue outturn is reported elsewhere on the agenda.

5.2 Capital receipts totalling £25.2m were available as at 31st March 2021 to finance future capital spending priorities. Capital grants and contributions totalling £26.3m and Section 106 receipts of £7.2m 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.

Non-Applicable Sections:	Legal, Personnel & Procurement Implications, Impact on Vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Capital Programme Monitoring Q3 2020/21 & Capital Strategy 2021 to 2025, Executive 10 th February 2021; Capital Programme Monitoring Q3 2019/20 & Annual Capital Review 2020 to 2024, Executive 12 th February 2020

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Portfolio / Scheme	Final	Final		Rephased	Comments
	Approved Budget	Outturn	Variation	into 21/22	
	£m	£m	£m	£m	
Children, Education and Families Portfolio					
Basic Needs	5.0	5.5	0.5 Cr	0.5	Overspend reducing budget in 2021/22
Capital Maintenance in Schools	1.1	0.1 Cr	1.0	1.0	Slippage due to small schemes delayed
Transforming Children's & Family Centres	0.9	0.0 Cr	0.9	0.9	Slippage due to scheme delays
s106 Education	2.4	0.0 Cr	2.4	2.4	
Other Schemes	0.4	0.2 Cr	0.2	0.2	No significant variations
	9.8	5.8 Cr	4.0	4.0	
Adult Care and Health Portfolio					
Mental Health grant	0.1	0.0 Cr	0.1	0.1	No significant variation
Other schemes	0.0	0.0	0.0	0.0	
	0.1	0.0 Cr	0.1	0.1	
Environment & Community Services Portfolio					
LIP Formula Funding	2.7	2.1 Cr	0.6	0.6	Slippage due to scheme design delays
Highways Investment	2.5	2.7	0.2 Cr	0.2	Slippage due to scheme design delays
Depot Improvement Works	1.4	0.2 Cr	1.2	1.2	Slippage due to scheme delays
Salix Street Lighting LED Upgrade	1.1	1.0 Cr	0.1	0.1	No significant variation
Central Wall Depot	0.8	0.6 Cr	0.2	0.2	Slippage due to scheme delays
Other schemes	3.2	1.5 Cr	1.7	1.7	
	11.7	8.1 Cr	3.6	3.6	
Renewal, Recreation & Housing Portfolio					
Modular Build - York Rise	5.5	0.0 Cr	5.5	5.5	Slippage due to scheme delays
Housing - Burnt Ash Lane	3.7	0.4 Cr	3.3	3.3	Slippage due to scheme delays
Bromley High St improvements	1.1	0.2 Cr	0.9	0.9	Slippage due to scheme delays
Renovation Grants - Disabled Facilities	1.9	1.1 Cr	0.8	0.8	Slippage due to scheme delays
Chislehurst Library Replacement	1.0	0.0 Cr	1.0	1.0	Slippage due to scheme delays
Replacement of District Heating System	1.0	0.1 Cr	0.9	0.9	Slippage due to scheme delays
Housing Supply - Anerley & Chislehurst	1.2	0.6 Cr	0.7	0.7	Slippage due to scheme delays
Crystal Palace Subway	0.8	0.1 Cr	0.7	0.7	Slippage due to scheme delays
West Wickham Leisure Centre	0.6	0.0 Cr	0.6	0.6	Slippage due to programme changes
s106 Housing	2.7	0.0 Cr	2.7	2.7	
Other schemes	0.8	0.5 Cr	0.3	0.3	
	20.4	3.0 Cr	17.4	17.4	
Executive, Resources & Contracts Portfolio					
IT Transformation	1.4	0.5 Cr	0.9	0.9	Slippage due to scheme delays
Civic Centre Development Strategy	1.0	0.3 Cr	0.8	0.8	Slippage due to scheme delays
Property Investment Fund	0.5	0.0 Cr	0.5	0.5	Slippage due to scheme delays
Sharepoint Productivity Platform Upgrade	0.5	0.3 Cr	0.2	0.2	Slippage due to scheme delays
Social Care Case Management	0.1	1.7	1.6 Cr	1.6	Overspend reducing available budget in 2021/22
Other schemes	0.5	0.1 Cr	0.4	0.4	
	4.0	2.8 Cr	1.2	1.2	
Total	46.0	19.7 Cr	26.3	26.3	
Less: assumed slippage for financing purposes	Cr 15.0		15.0	15.0	
Total (net of slippage)	31.0	19.7	11.3	11.3	

	2020/21
	£'000
Approved Capital Programme - 10th February 2020	59,335
Bromley High Street	800
Future Proofing Children's Centres	250
Disabled Facilities Grant	2,153
Capital Maintenance in Schools	1,442
s106 receipts	Cr 480
Re-phasing from 2019/20 into 2020/21	7,449
Executive March 2020 and May 2020 Capital Outturn	70,949
Increase Formula Capital budget	50
Increase Capital Maintenance budget	375
Addition of BMX Track capital scheme	276
Increase IT Transformation capital scheme	385
Rephasing from 2020/21 to Future Years	Cr 19,436
July 2020 Capital Monitoring	52,599
Addition of Chislehurst Library capital scheme	1,000
Increase Capital Maintenance budget	174
Addition of Property Management System capital scheme	100
Addition of Emergency Travel capital scheme	41
Reduce TfL capital schemes	Cr 623
Reduce Formula Capital budget	Cr 57
Rephasing from 2020/21 to Future Years	Cr 1,817
November 2020 Capital Monitoring	51,417
Increase Housing Supply - Burnt Ash Lane	476
Reduce Housing Supply - Anerley & Chislehurst	Cr 2,153
Reduce Replacement Financial System	Cr 200
Disabled Facilities Grant	290
Rephasing from 2020/21 to Future Years	Cr 3,764
February 2021 Capital Monitoring	46,066
Latest Approved Budget for 2020/21	46,066
Assumed Slippage for financing purpose	Cr 15,000
Total (net of slippage)	31,066

<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
	<u>84,517</u>
<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
	<u>20,316</u>
Total Funding Approved:	<u>104,833</u>
<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
	<u>Cr 82,869</u>
<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
Approved by Executive 10th July 2019 (Modular Homes at York Rise site)	Cr 3,500
Approved by Executive 2nd August 2019 (Provision of Housing in Burnt Ash Lane)	Cr 3,286
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	<u>Cr 9,430</u>
Uncommitted Balance on Investment Fund	12,534

Fund

Growth Fund:		£'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 20th 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 Employer)	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 improvement Scheme	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 improvement Scheme	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 BID)	Cr	75
Approved by Executive 21st May 2019 (Specialist advice for setting up local Housing company)	Cr	100
Noted by Executive 12th February 2020 - £1.5m of s106 to replace Growth Fund allocation for Bromley Town Centre capital scheme		1,500
Approved by Executive April 1st 2020 - Consultancy services for advice on urban design	Cr	50
scheme	Cr	800
Noted by Executive May 2020 - £2m of s106 to replace Growth Fund allocation for Bromley Town Centre capital scheme		2,000
Total further spending approvals	Cr	<u>19,712</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		12,652

Report No.
CSD 21082

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: 12 July 2021

Decision Type: Non-Urgent Executive Key

Title: YORK RISE, ORPINGTON

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: Farnborough and Crofton

1. Reason for report

- 1.1 At its meeting on 30th June 2021 the Executive considered the attached report providing an update on the proposed development at York Rise, Orpington. The Executive agreed the report, including approving a design and build contract. The Executive also recommended that Council approve a supplementary capital estimate of £2.1m and revised financing for the scheme as set out in paragraph 14.10 of the report, including an internal loan from the General Fund to the Housing Revenue Account of £6,064k. Further details of the supplementary capital estimate were set out in a part 2 report to the Executive.
-

2. **RECOMMENDATION**

Council is recommended to -

(1) Approve a supplementary estimate of £2.1m as detailed in the report and the part 2 report to the Executive.

(2) Approve the revised financing of the scheme as set out in paragraph 14.10 of the attached report including an internal loan from the General Fund to the Housing Revenue Account of £6,064k.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

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

Financial

1. Cost of proposal: Estimated Cost: £8.1m
 2. Ongoing costs: Estimated revenue costs of £224k per annum.
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £6m
 5. Source of funding: Affordable Housing, Section 106 contributions, Investment Fund and Housing Investment Fund earmarked reserves and GLA.
-

Personnel

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

Legal

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

Procurement

1. Summary of Procurement Implications: See attached report
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: See attached report

Non-Applicable Sections:	Vulnerable Adults and Children, Finance, Personnel, Policy, Legal, Procurement
Background Documents: (Access via Contact Officer)	See attached report

Decision Maker: EXECUTIVE
COUNCIL

**WITH PRE-DECISION SCRUTINY BY RENEWAL, RECREATION
AND HOUSING POLICY DEVELOPMENT AND SCRUTINY
COMMITTEE 16 JUNE 2021**

Date: 30th JUNE 2021

Decision Type: Non-Urgent Executive Non-Key

Title: YORK RISE, ORPINGTON

Contact Officer: Maria Mogor, Project Manager
Maria.mogor@bromley.gov.uk Tel: 020 8461 7156

Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: Farnborough and Crofton;

1. Reason for report

- 1.1 To provide an update on scheme development and to award a direct contract award to Module-AR under the LHC, NH2 procurement framework to proceed with residential development of 35 homes at York Rise, Orpington, BR6 8PR, subject to planning permission.

2. RECOMMENDATION(S)

The Renewal, Recreation and Housing PDS Committee are asked to:

- 2.1 Note and comment on the content of the report.

The Executive is requested to:

- 2.2 Note the progress of the project as set out within this report.
- 2.3 Recommend that Council approves a supplementary capital estimate of £2.1m.
- 2.4 Recommend that Council approves the revised financing of the scheme as set out in paragraph 14.10 including an internal loan from the General Fund to the Housing Revenue Account of £6,064k.

- 2.5 Approve a direct contract award to Module-AR for a total contract value estimated at £8.1m, using the LHC, NH2 Framework, for a design and build contract of housing at the site, as set out in para 9 of this report.
- 2.6 Authorise an appropriation of the Council's interest in the land shown edged red on the plan at Appendix A for planning purposes under section 122 of The Local Government Act 1972 and section 237 of the Town and Country Planning Act 1990, both as amended.
- 2.7 Delegate authority to the Director of Corporate Services to deal with all necessary legal arrangements to effect and bring into implementation the appropriation set out in this report.
- 2.8 Delegate authority to the Director of Housing, Planning and Regeneration in consultation with the Portfolio Holder to take all of the necessary steps to appropriate the site shown in the plan at Appendix A for housing purposes to be accounted for in the Housing Revenue Account (HRA)
- 2.9 To delegate authority to the Assistant Director of Highways to adopt the road, subject to planning permission. Following initial discussions with LBB highways officers; given that the York Rise site is a council development it was agreed that the road would be adopted subject to it being built to appropriate standards.
- 2.10 Approve the utilisation of £758k Section 106 contributions.

Council is requested to:

- 2.11 Approve a supplementary capital estimate of £2.1m detailed in full in the accompanying part 2 report.
- 2.12 Approve the revised financing of the scheme as set out in paragraph 14.10 including an internal loan from the General Fund to the Housing Revenue Account of £6,064k.

Impact on Vulnerable Adults and Children

1. Summary of Impact:
-

Corporate Policy

1. Policy Status: Not Applicable Existing Policy New Policy: Further Details
 2. BBB Priority: Children and Young People Excellent Council Quality Environment Safe Bromley Supporting Independence Vibrant, Thriving Town Centres Healthy Bromley Regeneration Not Applicable: Further Details
-

Financial

1. Cost of proposal: Estimated Cost £8.1m
2. Ongoing costs: Estimated revenue savings of £224k per annum
3. Budget head/performance centre: Capital Programme
4. Total current budget for this head: £6m
5. Source of funding: Affordable Housing Section 106 contributions, Investment Fund and Housing Investment Fund earmarked reserves and GLA

Grant

Personnel

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

Legal

1. Legal Requirement: None. Statutory Requirement Non-Statutory - Government Guidance None:
 2. Call-in: Applicable Not Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications:
-

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:

- Desired updates to the scheme have been described, including to ensure that the windows overlooking neighbouring gardens should have high sills and potentially be obscured.
- Zero car parking strategy queried. Officers note that this is a planning policy requirement. As a PTAL 6A site, the planners have stated that no additional car parking is permitted. This is a car free development with parking only 4 parking bays for blue badge holders.
- Concern that the site is overdeveloped with queries as to how the site allocation numbers were established. Project team noted that the site needs to accommodate 35 homes in accordance with the site allocation within the Bromley local plan.
- Delivery and service vehicle provision queried. Officers noted that the scheme provided an adequate width roadway and hammerhead to accommodate all types of access. The delivery and service vehicle provision has also been reviewed by LBB highways.
- Queries relating to the loss of the stepped pedestrian access. Officers noted that the Designing Out Crime Officer has requested that there is a single means of access into the development.
- Clarity regarding the boundary treatment to the site and officers to ensure that the application drawings were made clear to showcase what is happening on the development.
- Queries raised to whether there should be access to the area of slope in front of the retaining wall on the York Rise side. Officers confirmed that this area would be shown as being fenced off.
- Issue's raised due to the building height being out of place with surrounding properties, but as noted in the report the proposal has been modified following this feedback.
- Officers have held two online consultation events plus a separate resident home briefing.

Cllr Joel also raised additional comments in the scrutiny committee meeting on the 16th June. These additional documents are in the minutes of the meeting.

3.0 BACKGROUND

- 3.1. For Bromley, like most London boroughs one of the most significant long-term pressures is the impact of homelessness and provision of temporary accommodation. There are currently approximately 1,800 households in Temporary Accommodation (TA) this is a net increase of 21 per month and approximately 1,100 households are in costly forms of nightly paid TA, putting a continued strain on the Council's revenue budget.
- 3.2. The Council's Housing Strategy and Transformation programme sets out the agreed approach to support the delivery of affordable housing on Council owned sites. Council owned sites make a valuable contribution to meeting the borough's affordable housing supply.
- 3.3. The Council also faces other housing and planning pressures; the London Plan (adopted March 2021) sets out strategic policies, including the borough's housing target of 774 per annum. The Bromley Local Plan is an adopted document setting out the principles of development across the borough and allocates sites for housing. These documents comprise of the Development Plan and are used to assess planning applications. The Council is in need of increasing overall housing supply.
- 3.4. The York Rise site is a vacant site owned by the Council and identified in the Local Plan for 35 dwellings (Site Allocation 12). In July 2019, the Council approved a contract award (report no. ECHS 19061) to Mears for the supply and build of a modular housing scheme and approved the addition of £6m for the scheme to the Capital Programme. This contract has since been terminated and new work was undertaken to bring housing forward on this site.
- 3.5. In May 2020, the Council appointed Pellings to undertake a feasibility study to assess the site constraints. The report found the site to be developable for residential development.
- 3.6. In November 2020, a report outlined the procurement strategy (Report ref: HPR2020/037) – to use the LHC NH2 framework, and to further progress the scheme to a planning application. Officers went out to tender using the LHC NH2 framework in December 2020 for a residential scheme of 35 homes and entered into the Pre-Commencement Services Agreement contract to develop RIBA stages 0-3. Following this procurement exercise, Module-AR were successfully appointed in January 2021, in conformity with the 60/40 price/quality Council's Procurement Rules. As part of this appointment, Rivington Street Studios architects ("RSS") were also appointed as the design team.
- 3.7. To date, RIBA stages 0-3 have been undertaken which has included extensive design development (including options analysis and testing), surveys, public and ward member engagement (including a presentation to Development Control Committee members), a pre-app with LBB Planning, cost analysis and the submission of a planning application.
- 3.8. The proposed development consists of 35 affordable homes (14 x one bed, 17 x two bed and 4 x 3 bed homes) which if approved, will provide 102 amount of people a permanent dwelling.
- 3.9. The site is considered feasible to progress to the Design and Build (construction) phase (RIBA Stages 4-7), subject to planning permission being granted. This report recommends therefore that the Design and Build contract is entered into with Module-AR to develop and build the site, following a decision by LBB Planning. This report also outlines the engagement and the scheme proposals submitted to Planning.
- 3.10. This report also requests Executive authority to appropriate the land outlined on the plan at Appendix A for planning purposes, in order to facilitate the implementation of the proposal for the development of these 35 homes.

3.11. The Executive is requested in particular to note details below of how implementation of the proposal will make a significant contribution to the promotion and improvement of the economic, social and environmental well-being of the area.

4.0. SCHEME DEVELOPMENT AND ENGAGEMENT

4.1. The Local Plan Site Allocation is the starting point and the tender requirements reflected this:

- A development of 35 homes in line with the Local Plan, that will be planning compliant and can be delivered on site.
- Design options to be tested
- An agreed design with the Council that is sympathetic to the local surroundings.
- A modular development suitable for permanent occupation, an efficient build and for those living there
- Housing that meets the London Housing Space Standards.
- A range of dwelling sizes, including 10% wheelchair accessible housing on site.

4.2. The site has a number of physical constraints including steep banking with heavy and mature trees around the outskirts reducing the developable area of the site; a steep access road into the site; two retaining walls that need strengthening; is surrounded by development that is higher and overlooks the site; is an archaeological priority area; potential air raid shelters located underground; and, has existing wildlife and biodiversity on site. These all have physical and cost implications for the overall design.

4.3. The site context is predominantly residential, with community and commercial development to the east clustered around the nearby Orpington railway station. To the west of the site and north of the site is predominantly residential development. Crofton Halls and associated car parking lies to the east of the site on the opposite side of York Rise. To the south the site is bounded by the A232 Crofton Road. The site has a PTAL rating of 6a giving excellent transport links to Orpington train station.

4.4. Given the constraints and the Local Plan policy context, three design options were initially developed and tested for this site – these options were developed in conjunction with different service areas and requirements (for example, highways, emergency service/refuse access requirements). Following Ward member engagement, officers proceeded with the option of 35 homes with a mixture of maisonettes and flats and houses on site (see, Appendix B 'Option A'). Option A formed the basis of the public engagement set out in 'Engagement' below.

4.5. Option A comprises of the erection of a four-storey building consisting of fifteen apartments, a terrace of twenty maisonettes over three and four storeys along the front of York Rise and two two-storey houses to the right of the entrance, to provide 35 affordable homes in total centred around a 'village green'. This also included shared amenity space with children's play area, on site wheelchair car parking, cycle parking, space for refuse, a home- zone and landscaping.

5.0. ENGAGEMENT

5.1. Officers 'opened' public engagement by sending out a letter to 275 residents. See Appendix C, for the letter, inviting interested parties to attend an online public engagement event on April 26th and/or April 28th via Microsoft Teams. Given the Covid-19 restrictions, it was not considered safe to do a mass visit or meeting for all to attend.

5.2. During these online events, officers and RSS presented the history and context of the site, the proposed design was accompanied by visuals followed by 40 minutes of questions and answers. This provided residents with the opportunity to understand the development in further detail. 30-35 people attended across both events.

- 5.3. Following this, a Covid-19 safe site visit was arranged whereby an officer and the architect at the request of individuals met on site to discuss key concerns and to listen to those potentially affected by the development.
- 5.4. A dedicated email address was also set up and to date 35 written comments have been received. Officers have been in correspondence with residents and this has given residents the opportunity to regularly correspond with officers throughout.
- 5.5. Alongside this, the project team have engaged with Bromley Planners through the statutory processes (and other service areas such as Highways, Environment) via a pre-application and presented to the Development Control Committee, as applicants.
- 5.6. From the engagement above, the comments received centred on the following matters:
- Appearance, size and scale
 - Overlooking into gardens and relationship with surrounding area
 - Car parking
 - Sustainability and existing wildlife.
- 5.7. Following this active engagement stage, the design and layout has been adapted and improved to address as many concerns as possible whilst delivering a viable and policy compliant scheme. The design and layout submitted to Planning can be seen below (Appendix B, Option A).
- 5.8. The key changes from Option A are: the integration of the two semi-detached houses into the terrace and apartment building, creating additional green space and improving the relationship between the proposed development and the existing houses along 1-7 York Rise. Issues were raised concerning the relationship between the proposed and existing housing at 1-7. Appendix D shows a substantially improved relationship and design.
- 5.9. The height of the terraced housing has been reduced from three/four storeys to part two/ part three storeys reducing the overall massing and impact along York Rise.
- 5.10. To minimise the impact upon those in Yeovil Close, the apartment building has been set back further from the site boundary increasing the distance between the proposed and new development which will enable planting of more mature trees to act as natural screening. The internal layouts have also been designed so that living spaces do not look over these gardens; the location and size of windows has also been assessed to reduce overlooking and screening will be introduced to balconies to minimise any opportunity for overlooking and achieve optimum privacy for surrounding occupiers.
- 5.11. Site surveys have been undertaken to assess the sustainability and existing wildlife with the intention of retaining as many trees as possible without displacing the existing wildlife. The development will improve the sites biodiversity with landscaping features including new tree planting, additional planting in wild areas with indigenous plants and nesting boxes and invertebrate habitats. The development will add to the existing biodiversity within the surrounding area and the new buildings will feature sustainable drainage and attenuation measures. An ecological assessment has been undertaken which establishes the sites baseline condition and will assess biodiversity improvements delivered by the proposed development to ensure that local concerns are addressed.

- 5.12. The proposed level of car parking on site is in line with the London Plan Policy T6 Car Parking. In accordance with Table 10.3 of Policy T.6 of the London Plan 20% of these parking bays will have active electric vehicle charging facilities. Given the site's excellent transport services and connectivity, proximity to a town centre, the policy requires this to be a car free development, except for 4 Blue-badge spaces. The impact of increasing car parking provision on site has substantial disbenefits upon the overall design, resulting in less green and children's play space, an overall reduction in wildlife and biodiversity to provide hard surfacing, and a loss in greater trees.
- 5.13. There are a number of mitigation measures in place - as the Council will manage and maintain this site, through the allocation policy and the tenancy agreements, it will be made clear that there is no parking provision provided on site. The surrounding streets are also in a Controlled Parking Zone restricting on streetcar parking. The car parking survey has established there is sufficient capacity in the surrounding streets to accommodate visitors on times outside of the CPZ restricted hours.
- 5.14. The engagement has been highly informative, and the final proposed development has been submitted to planning for determination. The proposed development is a planning policy compliant scheme that meets the Council's objectives of delivering a 100% affordable housing scheme on a brownfield, Council owned site.

6.0. ROAD ADOPTION

- 6.1. It is intended that the road will be adopted by Bromley Council. The site is served by an internal roadway accessed from York Rise. This will be built to an adoptable standard. The adopted site road will also be yellow lined to restrict parking; and enforcement will be possible by LBB parking officers, as with surrounding streets. Sufficient space has been incorporated into the design of the scheme to allow refuse, fire service and other emergency vehicles to be able to enter, turn on site and exit in forward gear. Officers have consulted with the LBB Highways team for specific road adoption measures.
- 6.2. Once the schemes design is finalised and planning permission has been granted, officers will start the road adoption process in accordance with the highways team. It will take one year for the road to be formally adopted, however; the decision to adopt the road can be made in a matter of six weeks because the landowner is the Council. As part of the road adoption process, LBB highways will publicise a notice explaining that the council intends to adopt this road, of which only the landowner can object too. No member of the public can object to this road adoption process. Additionally, road adoption consultants will undertake a site visit to assess the site. The costs of road adoption have been factored into the scheme development costs. The proposal will result in a positive benefit to the sites existing access and overall parking within the area.

7.0. COST ANALYSIS

- 7.1. The project has previously been agreed as a capital scheme with a budget allocated to it. This budget was based on a different scheme with lesser information. As set out in paragraph 4.2, the site has a number of constraints, which have been analysed and costed, and planning policy requirements. As part of the scheme design, the project team have analysed the build costs of the proposed scheme. The proposal is a high-quality residential scheme meeting all planning policy requirements.
- 7.2. Based on the timings of this proposal, this scheme is eligible for the GLA Building Council Homes for Londoners grant funding. This is tariff-based whereby the lowest affordable housing

rents are granted a higher subsidy per property. Officers recommend the scheme is set at 100% London Affordable Rent (LAR) given that this round of funding will not be available after October 2022 and that these rental levels are more achievable for many of those in housing need.

- 7.3. The design has been heavily tested within the public domain as the council delivering it; if the council is to dispose of these homes it would create a lack of distrust within the authority. The council doesn't currently have a five year land supply and the council has an active role to play in boosting this supply and the development of York Rise for the purposes of the HRA will essentially work towards addressing a lack of housing for Bromley residents while increasing the councils housing stock.
- 7.4. There has been cost analysis undertaken of the proposed design – the costs of which reflect the proposal as a comprehensive residential scheme providing homes for many generations to come. The construction of the site is also a complex site to develop with multiple abnormal construction costs, such as the air raid shelters, two retaining walls with structural concerns and drainage improvements; the re-grading of the access road to make it an accessible site for all vehicles; landscaping improvements as the site is currently predominantly hardstanding. Over and above these costs is the construction of the buildings proposed and the cost implication of various planning policies, such as private amenity space for each unit
- 7.5. As outlined in the Engagement section of this report, there has been concern of the design of the buildings and the overall quality of the proposal by residents and by LBB Planners, given the topography of the site and the impact it has on the streetscape. It is very important therefore that the design and appearance of the scheme is of a high quality.

8.0. LAND APPROPRIATION

- 8.1. The purpose of the Appropriation for planning purposes is to ensure that the redevelopment of York Rise may benefit from the power in section 203 of the Housing and Planning Act 2016 to override all third-party rights including covenants and easements. The Act enables public bodies to implement this power where the demonstration of the use is demonstrably in the public interest and proportionate to the end being pursued.
- 8.2. The Council in developing its proposals has given due consideration to the third-party rights that are likely to be affected or injured as a result of the proposed redevelopment. The Council's legal advisers and consultants have reviewed the rights of adjoining property owners. At this stage, there may be any potential right of light injuries caused as a result of the redevelopment. A right to light survey will be completed and this will identify whether any rights have been infringed upon and potential costs for injuries will be identified.
- 8.3. To demonstrate the use of this power, the Act requires the Council to demonstrate the public interest and benefit. The site will provide 35 new affordable homes on a currently vacant site; affordable housing is in high demand in the borough and will generate economic and social benefits to the local community. The scheme is of a high quality design paying due regard to liveability and quality of life in the local area and to future occupiers; it promotes environmental benefits by being located in close proximity to a town centre with good public transport connections, in conformity with the Development Plan and meets sustainable development objectives. Overall, the public interest benefits generated by the redevelopment and regeneration far outweighs the potential infringement the scheme will cause to the private rights of third parties.
- 8.4. The land following Appropriation will be transferred to and administered from the General Fund Account to be administered under the Housing Revenue Account (HRA). Once the development has been completed the land will be appropriated as housing land. The Council

will not however lose the protection over the homes built whilst the land was appropriated for planning purposes, as such the newly built development would not be subject to an injunction (i.e. third parties whose rights have been injured as a result of the development will not be able to halt the development).

- 8.5. It should be noted that the Appropriation of the site for planning purposes will generate substantial public benefits which will far outweigh any injuries to the private rights of third parties.
- 8.6. Appropriation of the land for planning purposes would prevent any injunctions being sought by a party whose right may be interfered with and thereby preventing and delaying the proposed development. It will also ensure that the commercial and market attractiveness of the scheme is not diminished by the existence of injunctive rights which can frustrate the development.
- 8.7. Overall, the redevelopment is considered to have no detrimental impact on the surrounding residents. The re-development will regenerate the site with a significant need for investment and the upgrade will start to address some of the long-standing socio-economic problems faced by the surrounding local area and will significantly enhance the quality of the build environment of the surrounding area and will provide much needed affordable housing and as a result improve the life chances of the area's current and future residents.
- 8.8. Accordingly, it is considered that the public interest benefits generated by the redevelopment and regeneration far outweighs the potential infringement the scheme will cause to the private rights of third parties.

9.0. CONTRACT AWARD

- 9.1. Subject to the proposal being granted planning permission, officers recommend awarding a Design and Build contract award to Module-AR. The LHC NH2 Framework facilitates a two-stage contract whereby there is a break between the PCSA and the Design and Build contract. Module-AR submitted a tender that demonstrated their technical competence and ability in terms of managing and delivering dwellings utilising modern methods of construction.
- 9.2. There are some significant benefits of modern methods of construction, this includes large parts of the development being undertaken in the factory environment that is not inhibited by weather, in addition the units can be fully tested in a safe environment. The primary benefit is the speed of development, with building work-streams occurring simultaneously. There are also benefits in terms of being less intensive construction management wise lessening the impact for neighbouring residents. The proposed units are energy efficient, compliant with all building standards and regulations. As required as part of the tender, the dwellings will be accredited by the Build Offsite Property Assurance Scheme (BOPAS), with a minimum life span of 60 years.
- 9.3. Following the successful completion of the PCSA, it is now recommended to proceed to award a contract to Module-AR for the design and build of 35 homes at an estimated contract value of £8.1m. The contract award value is based on the cost analysis completed to date during the PCSA stage. Officers would enter into a contract with Module-AR subject to the determination at planning. If the scheme is not granted permission, officers would not enter into a contract with Module-AR. The timing of this is important to ensure that the programme set out below can be met as mobilisation of the contract and the particulars will take place following planning and before start on site.

10.0. PROGRAMME

10.1. Indicative schedule of works - pending the recommendations of this Report, the indicative timescales are set out below:

November 2020-January 2021	Tender for D&B Contractor to be Awarded by Delegated Authority, pending approval of this award.
December 2020	LBB entered into Agreement with GLA for Grant and acquired Investment Partnership status.
February-May 2021	Officers work with appointed contractors and project group to develop design and layout. Further surveys and other site investigations. Engagement with local residents and Ward Members on site proposals. Pre- Application with Planning. Full planning application submission to Planning.
June 2021	Executive decision for contract award subject to Planning decision.
August 2021	Decision to be determined by LBB Development Control Committee.
September 2021 – December 2021	Subject to decision by Planning – Council enters into Design and Build Contract with contractors. Commence RIBA stage 4
January 2022	Site Works commence.
December 2022	Site Works completed.

11.0. RECOMMENDATIONS

11.1. The recommendations outline approval for additional capital funding for the proposed residential scheme submitted to Planning and outlined in Para 14. Residential development of 35 homes at York Rise has been agreed by the Council through the Local Plan and previously as a capital project (Report ref. HPR2020/037). A new proposal has been developed, meeting the Council's need to deliver more affordable homes with a planning policy compliant proposal.

11.2. The second recommendation is to agree a contract award to Module-AR at an estimated total contract value of £8.1m, subject to planning permission being granted. The scheme proposals have been submitted to Planning and are under consideration currently. Once determined, under delegated authority, the Council will enter into a Design and Build contract with specialist contractors, Module-AR.

- 11.3. The third recommendation is to appropriate this site from the General Fund into the HRA which would allow the Council to discharge its homelessness duty rather than being used for temporary accommodation. The Council's interest in the land shown on the plan at Appendix A can be appropriated for planning purposes under section 122 of The Local Government Act 1972 and section 237 of the Town and Country Planning Act 1990, both as amended.
- 11.4. The Director of Corporate Services is authorised to deal with all necessary legal arrangements to effect and bring into implementation the appropriation set out in this report.
- 11.5. Authority is delegated by the Executive to the Director of Housing, Planning and Regeneration in conjunction with and in consultation with the Portfolio Holder to take all of the necessary steps to appropriate the site shown in the plan at Appendix A and to manage the implications arising therefrom and to deal with any compensation issues.

11.6. Subject to planning permission being granted

12.0. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 12.1. The proposal will deliver homes for those in temporary accommodation, supporting vulnerable adults and children in the community.

13.0. POLICY IMPLICATIONS

- 13.1. The proposal will deliver affordable housing to meet the Council's wider temporary accommodation needs.

14.0. FINANCIAL IMPLICATIONS

- 14.1. At its meeting in July 2019 in considering the award of the now terminated contract, the Executive agreed the addition of the scheme to the Capital Programme with an estimated value of £6m, funded by £2.5m from the Housing Investment Fund and £3.5m from the Investment Fund earmarked reserves.
- 14.2. In November 2020, it was agreed by the Portfolio Holder that up to £350k be allocated for consultants to carry out design work, assessments and costings. If the scheme eventually progresses, then the costs of the surveys and consultants will be charged to the capital scheme. £277k has been spent on the PCSA works and £23k on site surveys.
- 14.3. This report requests a supplementary capital estimate of £2.1m to a total of £8.1m based on the estimated scheme costs set out in the part 2 report.
- 14.4. Having learnt from previous housing schemes, it is prudent to allow for a sufficient contingency on both the construction and LBB costs, especially in light of various concerns regarding the supply and cost of materials which are going up significantly due to the current economic climate/impact of the Covid-19 pandemic. A contingency of 5% is being allocated given the current uncertainty.
- 14.5. Following the decision to re-open the Housing Revenue Account (HRA), the Council has the option to appropriate this site from the General Fund into the HRA which would allow the Council to discharge its homelessness duty rather than being used for temporary accommodation. There are various rent levels that could be used, but the two main ones are the London Affordable Rent, a social rent which is currently eligible for £100k grant per unit from the GLA, or Local Housing Allowance levels, an affordable rent which is not currently eligible for GLA grant.

14.6. In order to let at affordable rent levels rather than social rent, the Council would also need to meet one of the following requirements:

- (a) a housing supply delivery agreement between that provider and the Homes and Communities Agency (now known as Homes England) or the Greater London Authority and the accommodation is permitted by that agreement to be let at an affordable rent;
- (b) an agreement between a local authority and the Secretary of State and the accommodation is permitted by that agreement to be let at an affordable rent; or
- (c) the Secretary of State, Homes England or the Greater London Authority has agreed that it is appropriate for the accommodation to be let at an affordable rent.

14.7. The table below summarises the financial implication of appropriating into the HRA at either of the two rent levels above, using current 40-year Public Works Loan Board (PWLB) rates for comparative purposes:

	London Affordable Rent £'000	Local Housing Allowance £'000
<u>Capital</u>		
Build cost	8,072	8,072
Land appropriation value	2,250	2,250
Section 106	-758	-758
GLA grant	-3,500	0
Total capital financing requirement	6,064	9,564
1 beds	14	14
2 beds	17	17
3 beds	4	4
	35	35
Average net cost per unit	173	273
<u>Revenue</u>		
Annual rent	-302	-436
Annual management costs	118	118
Annual loan repayment	228	360
Total annual surplus (-) / deficit (+)	44	42
Annual savings on TA	-224	-224
Total net revenue impact	-180	-182
NPV over 40 yrs (excl. TA savings & property value)	-1,146	-2,226
NPV over 40 yrs (TA savings)	-5,597	-5,597
Payback period (excl. TA savings)	33 years	31 years

- 14.8. Setting rents at Local Housing Allowance results in the highest net capital cost, but also results in the highest Net Present Value and shortest payback period (assuming build costs and land transfer is repaid over 40 years). However, as set out in paragraph 7.2, it is recommended that rents are set at London Affordable Rent for these schemes. This will allow the Council to benefit now from GLA grants which may not be available in the future (or at the same level). It is also recognised that these rent levels are also truly affordable for some tenants.
- 14.9. It should be noted that by appropriating the land into the HRA, the market value of the land is charged to the HRA. Although this is not an actual capital receipt, it does mean that the General Fund can incur more capital expenditure without needing to borrow through an adjustment to the Capital Financing Requirement. At present, the land transfer value is estimated at £2.25m.
- 14.10. It is proposed that the revised scheme (including the land appropriation value) will be financed as follows:

	£'000
Previously agreed capital cost	6,000
Financed by:	
Housing Investment Fund	2,500
Investment Fund	3,500
	<u>6,000</u>
Revised scheme cost (inc. land value)	10,322
Financed by:	
GLA grant	3,500
Section 106 contributions	758
Internal borrowing	6,064
	<u>10,322</u>

- 14.11. As the Investment Fund and Housing Investment Fund are General Fund earmarked reserves which have been allocated for long term investments, it is proposed that these are used for the £6,064k internal loan from the General Fund to the HRA, and that interest is charged at 2.16%, which is the 40 year rate that the Council could borrow from the Public Works Loan Board. This internal borrowing could be refinanced in future, for example when considering the financing of future housing schemes.
- 14.12. Although there is a shortfall of net income in the HRA for the first 6 years at LHA rents or 9 at LAR rents, this then becomes a surplus as a result of rent increases assumed at 2% per annum. This shortfall can be covered by the surpluses from other schemes that have been agreed. Surpluses in future years will be ringfenced within the HRA for major repairs and future capital expenditure.

15.0. FINANCIAL AND WIDER RESOURCE IMPLICATION WITH REGARD TO THE PROPOSED APPROPRIATION

- 15.1. The review of third-party rights indicates that there is a risk of injunction from those third parties whose rights may be injured however third parties may seek damages.
- 15.2. These damages are likely to be of a significant value but also the existence of injunctive rights would jeopardise and hold to ransom the regeneration if the Council did not appropriate the land for planning purposes.
- 15.3. On appropriation for planning purposes the value of compensation is calculated as the diminution in value of the third party's property as a result of the development. The Council is confident, because of the significant investment being made in regenerating the site, that the

redevelopment will enhance the value of the properties on and around the site, in which case there may be potentially minimal and or no compensation due. The Council intends to seek indemnity insurance to cover any compensation due. The premium for the insurance policies is expected to be within the existing project budget and may require additional funding.

- 15.4. The appropriation of the site is required to extinguish the rights or objection, and the potential delay that may be caused to the regeneration scheme. Whilst the appropriation does not prevent any claims for compensation, it limits it to 6 years and with the improvements the regeneration will make to the area, the financial loss is likely to be minimal.

16.0. PERSONNEL IMPLICATIONS

- 16.1. There is adequate resource to procure and lead the development of the scheme. The Council, however, does not have the requisite skills to deliver this scheme and therefore must go out to the market for specialist consultancy services.

17.0. LEGAL IMPLICATIONS

- 17.1. Contract/Procurement Law

- 17.2. This framework is open for use by all English local authorities including the Council. Accordingly, the Council may use that framework according to the rules of that framework, including use of relevant Call-Off Contract terms and conditions.

- 17.3. Officers may wish to consult Legal Services to check call off terms and conditions, if they wish to do so.

18.0. PROCUREMENT IMPLICATIONS

- 18.1. This report seeks to direct award a contract to Module-AR at an estimated total contract value of £8.1m, using the LHC, NH2 Framework, for a design and build of 35 homes.

- 18.2. In accordance with Clause 3.5 of the Contract Procedure Rules, the Head of Procurement has been consulted regarding the use of the Framework. The award will be conducted in line with 7.4 of the Council's Contract Procedure Rules. As the value of the contract is above the UK thresholds, it must be conducted in line with cl. 33 of the Public Contracts Regulations 2015.

- 18.3. The Council is able to make use of the Framework and has been properly included on the Contract Notice.

- 18.4. For the requirements set out above, the method of direct award can be used under the terms of the framework.

- 18.5. As the contract value is over £25k, an award notice will need to be published on Contracts Finder. As the contract value is over the EU Thresholds, an OJEU award notice must be published

- 18.6. The Council's Contract Procedure Rules require the following for authorising an award via a framework for a contract of this value; the Approval of the Executive following Agreement by the Portfolio Holder, Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance must be obtained. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

- 18.7. 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. In accordance with CPR 2.1.2, Officers must take all necessary professional advice.

19.0. PROPERTY-APPROPRIATION LAW

19.1. In order for section 237 of The Town and Country Planning Act 1990 as amended by Section 203 of the Housing and Planning Act 2016 to apply to all of the land to be appropriated, all of the Council's interests must be held for planning purposes. It is therefore necessary to appropriate the freehold interest the subject of the proposed appropriation for planning purposes under section 122 of the Local Government Act 1972 as amended.

20.0. HUMAN RIGHTS

20.1. The Human Rights Act 1998 incorporated into domestic law the European Convention on Human Rights ("The Convention"). Specific rights protected by the convention include, amongst others:

20.2. The right of everyone to the peaceful enjoyment of their possessions which can only be impinged upon in the public interest and subject to relevant national and international laws.

20.3. The right to a private and family life, home and correspondence, which can only be impinged upon in accordance with the law and where such encroachment is necessary in the interests of national security, public safety or economic well-being of the country.

20.4. The above rights would be affected by the use of appropriation for planning purposes. However, the European Court has recognised that "regard must be had to the fair balance that has to be struck between competing interests of the individual and of the community as a whole. Any interference with a Convention right must be necessary and proportionate.

20.5. In light of the significant public benefit which would arise from the implementation of the proposed regeneration dealt with in this report and the fact that owners and occupiers within the sites have been contacted or will be contacted regarding the regeneration and will, should the land to be appropriated, qualify for compensation in terms of the general law, the Council has concluded that it would be appropriate to resolve to appropriate the land for planning purposes.

20.6. The Council is of the view that there is a compelling case in the public interest that the regeneration should outweigh the private interests held by third- parties affected by the proposed appropriation. It is also believed that the use of the appropriation for planning purposes powers to achieve the Council's regenerative objectives are proportionate to interfere with any possible third-party rights that may be affected in terms of human rights.

21.0. OVERRIDING EXISTING RIGHTS

21.1. Section 237 of the 1990 Act as amended authorises the erection, construction or maintenance of any building or work on land which has been acquired or appropriated by a local authority for planning purposes if it is done in accordance with planning permission, even if it involves interference with an interest or right such as an easement or a right of light.

21.2. The effect of this section is to ensure that where land is owned by a local authority and held for planning purposes then existing rights, which could prevent the development of that land from proceeding, can be overridden. The powers contained in section 237, as amended, do not remove any legitimate rights of owners or occupiers to compensation which may arise from the loss of such rights but does remove the potential for injunctive action

21.3. GENERAL

- i) "Appropriation" is the formal process by which the Council changes the designated purpose for which a piece of land is held, from one statutory purpose to another.
- ii) Appropriation cannot be achieved informally by looking at how a Council deals with a piece of land either as a matter of practicality or by implication.
- iii) It is a precondition that any land to be appropriated for planning purposes must be no longer required for the purpose it was held prior to that appropriation.
- (iv) Whether this is the case is properly a matter for the Council's decision-making in weighing up alternative demands on resources in each circumstance but is a question that must be formally considered and in the words of the Constitution "declared surplus" even if in regeneration projects however this condition is almost always self-evidently satisfied.

21.4. Section 122 of the Local Government Act 1972 permits appropriation of Council land which is no longer required for the purpose for which it is held to another statutory purpose (i.e. for which the Council could acquire land).

21.5. If any of land the subject of appropriation consist of or form part of open space the Council cannot do so unless it has advertised its intention to do for two consecutive weeks in a local newspaper and specifically considered any objections received pursuant to Section 122 (2A) of the Local Government Act 1972.

21.6. "Open Space "is defined to mean "any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground"

Non-Applicable Sections:	[List non-applicable sections here]
Background Documents: (Access via Contact Officer)	Appendix A - Site Plan Appendix B - Option A Appendix C - Letter to residents Appendix D- Proposed scheme design

22.0. APPENDICES

22.1. Appendix A- Site Plan



22.2. Appendix B- Option A
Previous site layout



Current village green proposal





Housing, Planning & Regeneration
Civic Centre, Stockwell Close, Bromley, BR1 3UH

Telephone: (020) 8464 3333
Internet: www.bromley.gov.uk
Email: Housing.development@bromley.gov.uk

Dear Resident,

We are writing to inform you of a proposed housing development at the vacant site on York Rise, Orpington, BR6 8PR. We are currently developing the design in preparation of submitting a planning application and are seeking your views.

The intention of the scheme is to provide 35 permanent, new high-quality, much needed homes for Bromley residents. The Council is working in partnership with off-site manufacturing specialists Module-AR, and award-winning Rivington Street Studio Architects, to deliver and design this scheme.

The design and layouts are currently under development (please see overleaf); the designs so far are focused around a 'village green' with a children's play area, wild planting areas, swift boxes and an existing oak tree. Due to the site's excellent public transport links, the development will promote a low-car/low-carbon lifestyle with electric vehicle charging and plentiful bike parking, refuse and recycling areas.

We welcome your views

Due to the Covid-19 restrictions, we will be hosting two online engagement events via Microsoft Teams. All engagement will take place prior to the submission of a full Planning Application to ensure your views are heard and considered as part of the proposal. The engagement events will take place:

- Monday 26th April at 6:00pm - 7:00pm;
- Wednesday 28th April 2021 at 6:00pm - 7:00pm.

Please confirm your attendance by emailing Housing.development@bromley.gov.uk with the reference 'York Rise Planning Application' and preferred date.

Further information will also be provided online at <https://www.rivingtonstreetstudio.co.uk/projects/housing/york-rise/>

We will keep you informed at each stage of this scheme providing regular updates on the works that are taking place.

Yours faithfully,

The Regeneration Team
Housing, Regeneration and Planning
London Borough of Bromley
Civic Centre, Stockwell Close, Bromley BR1 3UH



rivingtonstreetstudio

Director: Sara Bowrey

22.4. Appendix D- Proposed scheme design

22.4.1 Below figure of the terrace proposed, west elevation



22.4.2 Below figure of apartments proposed north elevation



22.4.3 Current site layout



Report No.
CSD21083

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: COUNCIL

Date: Monday 12 July 2021

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

Title: INTERIM DELEGATIONS

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

Chief Officer: Ade Adetosoye, Chief Executive

Ward: All

1. Reason for report

- 1.1 The Council's Director of Corporate Services, Mark Bowen, is due to retire and leave the Council's service on 16th July 2021. The recruitment of a replacement Director of Corporate Services and Governance is well advanced (a Member Appointment Panel is due to meet on 6th July 2021). Council is requested to formally approve the delegation of the Director's functions until the new Director is in post.

2. **RECOMMENDATIONS**

(1) That Council records its grateful appreciation for the service of Mark Bowen, Director of Corporate Services, having served this local authority and residents for 15 years.

(2) That, on the retirement of Mr Bowen and until the appointment of the Council's new Director of Corporate Services and Governance, the formal responsibilities of the Director of Corporate Services be delegated as follows –

- **Returning Officer and Electoral Registration Officer – Ade Adetosoye, Chief Executive**
- **Data Protection Officer – Vinit Shukle, Assistant Director, IT**
- **Monitoring Officer and all other legal functions – Shupriya Iqbal, Assistant Director, Legal Services**

(3) That all references to the Director of Corporate Services in the Council Constitution and associated documents be changed to Director of Corporate Services and Governance.

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: Corporate Services
 4. Total current budget for this head: Not Applicable
 5. Source of funding: 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:
-

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? No
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	Vulnerable Adults and Children, Legal, Personnel, Policy, Finance , Procurement
Background Documents: (Access via Contact Officer)	None