



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 10 May 2024

To: Members of the
EXECUTIVE

Councillor Colin Smith (Chairman)

Councillor Kate Lymer (Vice-Chairman)

Councillors Yvonne Bear, Nicholas Bennett J.P., Christopher Marlow, Angela Page,
Diane Smith and Will Rowlands

A meeting of the Executive will be held at Bromley Civic Centre, Stockwell Close,
Bromley, BR1 3UH on **WEDNESDAY 22 MAY 2024 AT 7.00 PM**

TASNIM SHAWKAT

Director of Corporate Services & Governance

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

A G E N D A

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

3 QUESTIONS

In accordance with the Council's Constitution, members of the public may submit one question each on matters relating to the work of the Committee. Questions must have been received in writing 10 working days before the date of the meeting.

Questions seeking clarification of the details of a report on the agenda may be accepted within two working days of the normal publication date of the agenda – by **5pm on Thursday 16 May 2024.**

4 TO CONFIRM THE MINUTES OF THE MEETINGS HELD ON 27 MARCH 2024 AND 18 APRIL 2024 (Pages 3 - 20)

5 EXECUTIVE APPOINTMENTS 2024/25 (Pages 21 - 24)

6 PROVISIONAL FINAL ACCOUNTS 2023/24 (Pages 25 - 84)

7 CRM REPLACEMENT CAPITAL PROJECT - CRM & WEBSITE REDESIGN CLOSURE REPORT AND WEBSITE PHASE 2 OPTIONS (Pages 85 - 100)

8 **PROCUREMENT OF A SPECIALIST STOP SMOKING SERVICE** (Pages 101 - 114)

9 **BROMLEY HEALTH & WELLBEING CENTRE, CHURCHILL COURT - REFURBISHMENT, LEASE & CONTRACT AWARD** (To Follow)

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

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

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

Items of Business

Schedule 12A Description

12 **EXEMPT MINUTES OF THE MEETINGS HELD ON 27 MARCH 2024 AND 18 APRIL 2024** (Pages 115 - 120)

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

13 **PART 2 CRM REPLACEMENT CAPITAL PROJECT - WEBSITE REDESIGN UPDATE REPORT** (Pages 121 - 122)

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

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EXECUTIVE

Minutes of the meeting held on 27 March 2024 starting at 7.00 pm

Present:

Councillor Colin Smith (Chairman)
Councillors Kate Lymer (Vice-Chairman), Yvonne Bear,
Nicholas Bennett J.P., Christopher Marlow, Angela Page
and Diane Smith

Also Present:

Councillor Simon Fawthrop and Councillor Simon Jeal

134 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Will Rowlands.

135 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

136 QUESTIONS

No questions were received.

137 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 7 FEBRUARY 2024

RESOLVED: That the minutes of the meeting held on 7 February 2024, be agreed and signed as a correct record.

138 BUDGET MONITORING 2023/24 Report FSD24027

The report provided the third budget monitoring position for 2023/24 based on expenditure and activity levels up to the end of December 2023. The report also highlighted any significant variations which would impact on future years as well as any early warnings that could impact on the final year end position.

The report was scrutinised by the Executive, Resources and Contracts PDS Committee on 25 March 2024, and the Committee supported the recommendations.

RESOLVED: That

- 1.The latest financial position be considered.

2. It be noted that a projected net overspend on services of £14,206k is forecast based on information as at December 2023.
3. The comments from Chief Officers detailed in Appendix 2 be noted.
4. The projected reduction to the General Fund balance of £147k as detailed in section 3.3 of the report be noted.
5. The full year cost pressures of £21.1m as detailed in section 3.4 of the report be noted.
6. The release of funding from the 2023/24 central contingency as detailed in paragraphs 3.2.2 to 3.2.5 of the report be agreed.
7. Setting aside £2.2m into an earmarked reserve to support the revenue budget for 2025/26 as detailed in section 3.8 of the report be agreed.
8. The issues regarding the Community Equipment contract as detailed in paragraph 3.9 and in Part 2 of this report be noted.
9. Any issues that should be referred to individual Portfolio Holders for further action be identified.
10. Additional DSG funding of £470k be approved to strengthen early support for Speech and Language services in key local schools, for early identification and intervention for a trial period of one year. This investment is expected to generate greater savings (in excess of £470k) to reduce the DSG deficit.

To note that the outcome of the additional investment will be reported back to members in considering options for ongoing funding.

139 SECOND HOMES PREMIUM
Report FSD24030

The report set out a proposal that a Second Home Premium be introduced from April 2025.

RESOLVED: That

1. The responses to the public consultation exercise at Appendix 1 of the report be noted.
2. The Equality Impact Assessment be noted.
3. The introduction of the 100% Second Home Premium from April 2025 be approved.

**140 BASIC NEED UPDATE REPORT
Report CEF23077**

The report provided an update on funding and the capital schemes included within the Council's Basic Need Programme.

Concerns were raised regarding the costs of the installation on an air source heat pump at the former Marjorie McClure school site and the Executive requested that any decision on that recommendation be deferred until further information was presented to the Special Executive meeting on 18th April 2024. The Executive requested that the paper outlined the range of options available in respect of the heating system.

The report and additional information on the Salix grant was scrutinised by the Children Education and Families PDS Committee on 20 March 2024, and the Committee supported the recommendations.

RESOLVED: That

- 1. The updated Basic Need Programme as set out in Appendix 3 be agreed subject to Full Council approval.**
- 2. It be agreed that new projects at Bromley Beacon Academy (Orpington), Hawes Down Primary School, The Glebe, the former Marjorie McClure school site and Midfield Primary School, be added to the Basic Need Programme as detailed in the scheme appraisals in Appendix 1 of the report.**
- 3. It be agreed that schemes to deliver additional primary places at Scotts Park Primary School and St Marys Cray Primary be removed from the Basic Need Programme as these schemes have been on hold for several years and there is currently no projected need for additional places at either of these schools.**
- 4. The allocation of an additional £177,726 of additional S106 allocations to projects within the Basic Need Capital Programme as outlined in Appendix 2 be agreed.**
- 5. It be noted that a further High Needs Capital Provision allocation for 2024/25 is expected in March 2024. An estimation of its value has been included within this report. The programme as outlined in Appendix 3 will be amended when the amount of allocation is known.**
- 6. It be noted that schemes within the Basic Need Programme will be delivered in line with the previously agreed procurement strategy. Awards of contract for schemes within the programme will be delivered in line with the Council's Contract Procedure Rules. In instances grant will be allocated to schools for school led delivery.**

7. In respect of the Salix grant received for the installation of an air source heat pump at the former Marjorie McClure school site any decision be deferred until further information is received by the Executive at the Special Meeting on 18th April 2024. The paper to outline the range of options available in respect of the heating system.

141 PERMISSION TO COMMENCE WITH THE PROCUREMENT TO REPLENISH THE DOMICILIARY CARE PATCH ARRANGEMENTS
Report ACH24-006

On the 29 June 2021 Executive agreed the award of geographical Patch contracts to deliver domiciliary care services for a up to an eight-year period (5+3 years); that commenced on 28 August 2021 (Report ACH21-031).

The current value of the contract spend was an overall value of £16.4 million per annum. The overall remaining whole life value of £82 million for 2+3 years (both Framework and Patch).

Since the award of the contract, two of the four patches (East and South) had delivered well and had progressed to accept circa 70% of the domiciliary care packages at the end of year two of the eight-year contract. However, because some designated providers had not been able to deliver packages of care, the Integrated Commissioning Service was now seeking to replenish the Central Patch with one new provider alongside four back-up providers to be used when required.

The report was scrutinised by the Adult Health and Care PDS Committee and the Children, Education and Families PDS Committee on 12 March 2024, and the Committees supported the recommendations.

RESOLVED: That permission to procure up to five new Patch providers be approved, these contracts will run co-terminus with the Patch providers that have been delivering services since 28 August 2021. This action is due to one provider ending their contract. The additional four new providers will replace any providers that are not able to meet the terms of the contract.

142 ADULT MENTAL HEALTH RECOVERY AND REHABILITATION SUPPORT @ HOME SERVICE (PART 1)
Report ACH24-014

Mental Health recovery and rehabilitation accommodation-based support and floating support services aimed to support mental health service users away from reliance on hospital and residential provision towards enabling and cost-effective services such as supported accommodation, support in the community and targeted support towards independent living.

The LBB Mental Health Flexible Support Service contract expired on 30 September 2024. The current contract had been in place since 1 October 2019 and had no further options to extend.

The South East London Integrated Care Board (SELICB) Adult Mental Health Residential and Supported Accommodation Services contract expired on 30 September 2024. The current contract had been in place since 1 April 2019 and had an estimated value of £1,432k per annum. The contract had no further extension options remaining and had a cumulative value of approximately £6,963k over the 5-year term.

In addition to the block contracted services, LBB held individual placement contracts for clients placed into SELICB contracted provision. In 2021/22 the combined annual value of these placements was estimated to be approximately £1.12m per annum. In total these two services had an estimated combined value more than £2.94m per annum.

The Gateway 0 report ACH22-018, presented to Executive on 29 June 2022, advised members on the procurement options for future housing support mental health services in Bromley and gained approval to replace the existing service model with a new joint adult mental health recovery and rehabilitation Support@Home service contract in 2024, underpinned by the section 75 agreement between LBB and SELICB, and with a combined total contract value estimated at £2.66m per annum, split 50:50 between LBB and SELICB.

The Gateway 1 report ACH22-035, presented on 30 November 2022, sought and obtained Executive approval to commence the procurement of the service in accordance with the arrangements set out in the report with the intent to commence the new service on 1 October 2024 with LBB acting as the contracting authority.

This report sought Executive approval to award the Support@Home service contract in accordance with the arrangements set out in the report and the accompanying Part 2 report to commence the new service on 1 October 2024.

The report was scrutinised by the Adult Care and Health PDS Committee on 12 March and the Committee supported the recommendations.

RESOLVED: That

- 1. The award of contract for the Support@Home service contract as detailed in this report and the accompanying Part 2 report be approved for an initial period of 5 years from 01 October 2024 to 30 September 2029 with two options to extend for a further period of 2 years from 01 October 2029 to 30 September 2031 and 1 October 2031 to 30 September 2033 at an estimated total contract value as set out in Part 2 of this report; and**
- 2. Authority be delegated to the Chief Officer, subject to Agreement with the Assistant Director Governance & Contracts, the Director of Corporate Services, the Director of Finance and the Portfolio Holder for Adult, Care & Health, to approve the contract extension period(s)**

for up to four years on satisfactory achievement of the contract performance indicators.

**143 RESIDENTIAL HOME CARE FOR OLDER PEOPLE BLOCK CONTRACT (PART 1)
Report ACH24-018**

The report sought approval for the award of a residential home care block contract for 20 Bromley based beds to the provider named in the accompanying Part 2 report.

The block contract would result in the Council securing access to more in borough residential care provision and would also support achievement of medium-term financial savings targets with regards to managing the market more efficiently.

The proposed arrangements would yield efficiencies in commissioning costs by continuing to secure a reduced purchasing rate per placement through a block contract as compared to existing spot placement rates and help to manage the increasing pressure of seeking and finding suitable placement in Bromley.

The report was scrutinised by the Adult Care and Health PDS Committee on 12 March 2024 and the Committee supported the recommendations.

RESOLVED: That

- 1. The award of the Residential Care Services block contract be approved as set out in the accompanying Part 2 report, the block contract being for 20 beds for a two-year contract commencing 1 April 2024 with the option to extend for up to a further two years.**
- 2. Delegated authority to the Director of Adult Social Care be approved, subject to agreement with the Portfolio Holder, the Assistant Director Governance & Contracts, the Director of Finance and Director of Corporate Services, to apply the two-year extension option.**

**144 PUBLIC SWITCH TELEPHONE NETWORK (PSTN) REQUIREMENTS TO UPGRADE THE ADULTS CARELINK SERVICE
Report ACH24-015**

The report provided an analysis of the work required and requests capital investment, and resources to complete the upgrade of all the devices currently in operation for the Bromley residents that use the Council's Carelink Service to support the Council's statutory obligation to support vulnerable residents as directed by the Care Act - 2014.

The Public Switch Telephone Network (PSTN) will close in December 2025. This in effect meant that there will be a switching off the old analogue telephone network. It would be replaced with an all-digital fibre-based network and was consistent with an imperative for digital transformation of all related services including telecare.

The report outlined recommendations for the resources required to meet the digital upgrade before the end of 2025. The Director for Adult Services had been consulted on the analysis of options in this report.

RESOLVED: That

- 1. The options explored and analysis in the report be noted.**
- 2. The plan and budget for the phase of work (procurement and transition) as set out in Section 8 of the report be approved. This will incur costs estimated at £416k in total (£139k in 2023/24 and £277k in 2024/25).**
- 3. Delegated authority to the Portfolio Holder for Adult Care and Health and to the Director of Adult Services for agreeing any relevant decisions to enable the implementation and delivery of the recommendations in this report that are agreed by Executive be approved.**
- 4. The preferred procurement option of a new call handling platform to replace the current service provider contract which expires in November 2024 be noted.**

145 BIGGIN HILL UPDATE

At the meeting of the Executive on 8 February 2023, officers, in consultation with the Portfolio Holder for Resources, Commissioning and Contract Management, were authorised to work with Biggin Hill Airport Limited (BHAL) regarding the Noise Action Plan (NAP), with the objective of agreeing measures to improve the situation for residents under the flightpath.

An update was provided back to the Executive on 20 September 2023 which noted that correspondence with BHAL was ongoing. It was agreed that a further update would be provided back to the Executive after six months in 2024 and that if no substantive progress had been made by this point, alternative options for progressing matters would be reported.

The report was scrutinised by the Executive, Resources and Contracts PDS Committee on 25 March 2024, and the Committee supported the recommendations.

RESOLVED: That

1. It be noted that BHAL are expected to shortly submit a revised proposal for an alternative instrument approach to runway 03 to the Civil Aviation Authority (CAA), which would be understood to have noise reduction benefits for residents under the flightpath.
2. The progress that BHAL have made towards a NAP review and that an assessment has been made of this progress and remaining requirements for completing the NAP review be noted.
3. It be noted that a series of meetings were held between the Council and BHAL but that no agreement was reached between the two parties, although the option for further meetings remains open.
4. It be noted that following the meetings with BHAL, the Council has written to BHAL to reiterate the Council's requirements for completing the NAP review. The Council outlined that the NAP review is not considered to be complete without meeting these requirements and that while the NAP review is incomplete, the 50,000 aircraft movements cap remains in force at the airport.
5. It be agreed that if BHAL exceed 50,000 movements without the NAP review being complete, the Council will take legal action to protect the Council's position and in support of residents, as detailed in Part 2.

146 OPR AWARD OF CONTRACTS FOR MULTIDISCIPLINARY SERVICES

In November 2023 the Executive approved the procurement of further design led multidisciplinary consultancy services to support the delivery of the OPR Programme.

This report sought approval to award a consultancy services contract to the successful bidders following the tender process.

This report also provided an update on the progress of the surface car parks workstream.

The report was scrutinised by the Executive, Resources and Contracts PDS Committee on 25 March 2024, and the Committee supported the recommendations.

RESOLVED: That

1. The contents of this report be noted.

- 2. The award of a Multidisciplinary Consultancy Services Contract for the OPR Programme to the successful bidders as detailed in Part Two of this report be approved.**

**147 LIBRARY REPAIR WORKS PROGRAMME
Report HPR2024/011**

The report provided an update on the library repair works programme, and requested authority to both proceed to tender, and award contracts, for works at four further library sites: Mottingham, Chislehurst, Burnt Ash and Orpington.

The report was scrutinised by the Renewal Recreation and Housing PDS Committee at its meeting on 14 March 2024 and the Committee supported the recommendations.

RESOLVED: That

- 1. It be agreed to proceed to a closed tender for the works contracts for Mottingham Library, Chislehurst Library, Burnt Ash Library and Orpington Library at an estimated total value split across two contracts of £4m; and,**
- 2. It be agreed to delegate authority to the Director of Housing, Planning, Property and Regeneration in consultation with the Portfolio Holder for Renewal, Recreation and Housing, to award the two works contracts at estimated values of £1.4m (Burnt Ash and Chislehurst) and £2.6m (Mottingham and Orpington) as long as the winning tenders are affordable within the Operational Property Review library programme budget.**

**148 PROVISION OF AFFORDABLE HOUSING IN WEST WICKHAM
Report HPR2024/010**

The report recommended to the Executive that the West Wickham Housing Scheme was developed and funded as a fully socially rented housing scheme. This amended the previously agreed scheme, which was a mix of affordable and private, approved in February 2023 (report no. HPR 2023/009)

The report had been scrutinised by the Renewal Recreation and Housing PDS Committee on 14 March 2024 and the Committee supported the recommendations.

RESOLVED: That

- 1. The Capital Investment for the delivery of 26 new homes be approved, on the basis that all homes will be held for affordable housing, on the assumption the increase of GLA**

grant is approved. Noting this requires £4,717k of external borrowing for the Council (as detailed in section 6 of the report). If the revised GLA grant is not received, the scheme will remain as was previously agreed;

2. An additional revenue contribution of £244k be approved to part-finance the capital costs of the Library element of scheme, as detailed in section 6 of this report. Provision for this sum will be identified in central contingency as part of the 2023/24 revenue budget outturn (see also Q3 2023/24 Revenue budget monitoring report on the agenda for this meeting of Executive);
3. The required changes to be submitted via a planning variation be approved; and,
4. Any additional grants in relation to this scheme be accepted.

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

There were no additional items referred from Executive, Resources and Contracts PDS Committee.

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

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

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

151 EXEMPT MINUTES OF THE MEETING HELD ON 7 FEBRUARY 2024

152 PART 2: BUDGET MONITORING 2023/24

The Executive noted the Part 2 information.

153 PART 2: ADULT MENTAL HEALTH RECOVERY AND REHABILITATION SUPPORT@HOME SERVICE

The Executive considered the report and approved the recommendations.

154 PART 2: RESIDENTIAL HOME CARE FOR OLDER PEOPLE BLOCK CONTRACT

The Executive considered the report and approved the recommendations.

155 PART 2 BIGGIN HILL UPDATE

The Executive noted the Part 2 information.

156 PART 2: OPR AWARD OF CONTRACTS FOR MULTIDISCIPLINARY SERVICES

The Executive considered the report and approved the recommendations.

Chairman

The Meeting ended at 8.25 pm

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EXECUTIVE

Minutes of the meeting held on 18 April 2024 starting at 8.30 am

Present:

Councillor Colin Smith (Chairman)
Councillors Kate Lymer (Vice-Chairman), Yvonne Bear,
Nicholas Bennett J.P., Angela Page, Diane Smith and
Will Rowlands

157 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Christopher Marlow.

158 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

159 CONSIDERATION OF OPTIONS FOR HEATING SYSTEM AT THE FORMER MARJORIE MCCLURE SCHOOL PREMISES

This item was withdrawn.

160 LOCAL AUTHORITY HOUSING FUND Report HPR2024/013

The Council had been earmarked an indicative allocation of £13.9m towards housing schemes, subject to a compliant grant application, from the Department of Levelling up Housing and Communities (DLUHC) for Local Authority Housing Fund (LAHF) Round 3. The report summarised how the grant would be allocated to meet the Council's needs, whilst also being compliant within the grant agreement. In addition, the report set out how additional funding could be utilised if funding applied for beyond the earmarked allocation was secured through DLUHC.

The report was scrutinised by the Renewal, Recreation and Housing PDS Committee on 17 April 2024 and the Committee supported the proposals.

RESOLVED: That

- 1) **The acceptance of DLUHC LAHF Round 3 funding estimated at up to £27.4m (made up of an indicative allocation of £13.9m and a request for a further £13.5m) for the schemes set out in paragraph 3.5 be approved, noting some schemes will require further reports; and the Assistant Director of Legal Services be authorised to sign and execute all relevant legal documents arising in connection with acceptance of the LAHF.**

- 2) **Based on the Council's request for funding being approved, as detailed in paragraph 3.5 of the report:**
- (a) **The addition of Manorfields to the Capital Programme at a value of £5.2m be approved; officers will then proceed to procurement via an officer gateway for a multidisciplinary team to design the major repair and refurbishment of Manorfields into Transitional Accommodation. The funding for the Manorfields scheme will be met by LAHF grant of £4.313k, with the balance of £888k to come from the existing OPR capital programme budget.**
 - (b) **The appointment of two Senior Project Managers to support the delivery of the schemes set out for a fixed term of two years be approved. These posts will be financed by the Revenue funding in the grant of £111k supplemented by capitalised funding allocated to the relevant schemes.**
 - (c) **An increase in the Council's capital programme budget of £638k towards the purchase of a four-bed settlement unit be approved. This will be funded through £284k of LAHF grant, with the balance of £354k to be met from capital programme resources. Note that this purchase is required to meet the grant requirements, and none of the grant can be secured without meeting this DLUHC requirement. And subject to this, approve the purchase of this property, delegating any related decisions to the Director of Housing, Planning, Property and Regeneration in consultation with the Portfolio Holder for Renewal, Recreation and Housing.**

**161 LEISURE CENTRE MAJOR WORKS PROGRAMME -
APPROVAL TO PROCEED
Report HPR2024/004A**

Following Executive's approval of both the 'Procurement Strategy for the Leisure Centre Major Work Programme' (report no: HPR2023/044) in August 2023 and the 'Leisure Centre Major Programme' (report no: HPR2023/054) in October 2023, Executive are now asked to approve the recommendations contained within this report in order to begin construction works at both West Wickham and the Walnuts leisure centres.

The report was scrutinised by the Renewal, Recreation and Housing PDS Committee on 17 April 2024 and the Committee supported the proposals.

RESOLVED: That

1. **Authority be delegated to the Director for Housing, Planning, Property and Regeneration, in consultation with the Renewal, Recreation and Housing Portfolio Holder, to enter into a Full Repair and Insurance Lease, up to a period terminating no later than March 31st 2059, with the tenant operator named in the Part 2 report, after**

works are completed for both West Wickham and the Walnuts Leisure Centres, as set out in paragraphs 3.2 to 3.6 of the Part 2 report.

2. The acceptance of £296k grant funding from Sport England to fund solar panels and pool covers at West Wickham Leisure Centre be approved.
3. Subject to plans remaining within budget at the end of RIBA 4, authority be delegated to the Director of Housing, Planning and Regeneration, in consultation with the Director of Corporate Services and Governance, to enter into a Development Agreement with Alliance Leisure Services to deliver the works and services (project management and quantity surveying) contained within this report for both the West Wickham and Walnuts Leisure Centres.
4. The release of £640,750 from the Section 106 Carbon Offset Fund scheme, as accrued through developer contribution, be approved for air handling units and building energy management systems to support additional carbon reduction and improved energy efficiency of both the Walnuts and West Wickham leisure centres.
5. Authority be delegated to the Director of Environment & Public Protection, in consultation with the Portfolio Holder for Environment and the Director of Housing, Planning and Regeneration, to approve the allocation of additional Section 106 Carbon Offset Funding, up to 20%, should there be an overspend on the installation of air handling units and building energy management systems.
6. Authority be delegated to the Director of Environment & Public Protection, in consultation with the Portfolio Holder for Environment and the Director of Housing, Planning and Regeneration, to approve the allocation of additional Section 106 Carbon Offset Funding, up to £150k, for further identified carbon reduction projects during the leisure centre major works programme.
7. The acceptance of a £1m contribution from the tenant operator towards the major works be approved.

Walnuts Leisure Centre

8. £10.949m from the OPR's budget for leisure centres to fund the proposed works and services at the Walnuts Leisure Centre be approved.
9. An additional budget of £232,310 above the OPR allowance, funded from OPR Contingency (see 6.4), required to deliver the major works be approved.

10. The plans for the Walnuts Leisure Centre as set out on pages 30-32 of the Part 1 Appendices and laid out in paragraphs 3.38-3.55 of this report be approved.
11. It be noted that any Planning Applications required will be submitted.

West Wickham Leisure Centre

12. £402,390 from the OPR's budget for leisure centres to fund the proposed enabling works package at West Wickham Leisure Centre be approved.
13. £15.374m from the OPR's budget for leisure centres to fund the proposed works and services at West Wickham Leisure Centre be approved.
14. An additional budget of £550,000, above the OPR allowance, funded from OPR Contingency (see 6.4), required to deliver the major works as a result of the major structural issues at this site be approved.
15. The plans for West Wickham Leisure Centre as set out on pages 12-13 of the Part 1 Appendices and laid out in paragraphs 3.56-3.67 of this report be approved.
16. It be noted that any Planning Applications required will be submitted.

**162 CRYSTAL PALACE PARK REGENERATION PLAN - PROCEED TO PROCUREMENT FOR CAPITAL WORKS
Report HPR2024/015**

The report provided Members with an update on the delivery of the Crystal Palace Park Regeneration Plan and sought approval to proceed to procurement for a main contractor to deliver the capital works of the next phase of the Plan.

The report was scrutinised by the Renewal, Recreation and Housing PDS Committee on 17 April 2024 and the Committee supported the proposals.

RESOLVED: That

1. Proceeding to procurement, as set out in paragraphs 3.12 to 3.26, for a main contractor to deliver the capital works at a total estimated contract cost of £17.7m be approved.
2. The budget of the Crystal Palace Park Regeneration Plan already on the Capital Programme by £19.096m be increased. The scheme will be funded through a £5m grant from the National Lottery Heritage

Fund and the capital receipts from the sale of the two areas of parkland which are estimated to achieve £19.36m.

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

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

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

164 PART 2 INSURANCE MATTERS

The Executive considered the report and agreed the recommendations.

165 PART 2 LEISURE CENTRES MAJOR WORKS PROGRAMME - APPROVAL TO PROCEED

The Executive noted the report.

Chairman

The Meeting ended at 8.45 am

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Report No.
CSD24064

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: Wednesday 22 May 2024

Decision Type: Non-Urgent Executive Non-Key

Title: EXECUTIVE APPOINTMENTS

Contact Officer: Philippa Gibbs, Deputy Democratic Services Manager
Tel: 0208 461 7638 E-mail: Philippa.Gibbs@bromley.gov.uk

Chief Officer: Tasnim Shawkat, Director of Corporate Services and Governance

Ward: All

1. Reason for decision/report and options

- 1.1 This report allows the Leader of the Council to announce the Members appointed to various Portfolio Holder and executive assistant roles to help with the administration of executive business during 2024/25. The appointments will be circulated or reported at the meeting.

2. RECOMMENDATIONS

- (1) That the appointment of Councillors to serve on the Executive and responsibility for Portfolios, as allocated by the Leader of the Council, be noted.
- (2) That any appointment of Councillors as Executive Assistants by the Leader of the Council be noted.
- (3) The appointment by the Leader of the Council of Executive Members to serve on the Health and Wellbeing Board for 2024/25 be noted.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority (delete as appropriate):
(5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Estimated Cost: Allowances relating to these posts amount to about £220k
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Democratic Representation
 4. Total current budget for this head: £1,095
 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
-

Property

1. Summary of Property Implications: Not Applicable
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not Applicable
-

Customer Impact

1. Estimated number of users or customers (current and projected): Not Applicable
-

Ward Councillor Views

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

3. COMMENTARY

3.1 The Constitution of the London Borough of Bromley specifies that the Executive should consist of the Leader plus at least two but no more than nine other Members as required by statute. At the Annual Meeting of the Council held after the local elections on 5th May 2022, the Leader of the Council was appointed for a four-year term of office until the next local elections. In accordance with the constitutional arrangements, the Leader appoints a Deputy Leader other Members to serve on the Executive for the 2022/23 Municipal Year. It is for the Leader to determine the portfolios, which portfolios are held by Members and their period of office. The Council's portfolios are:

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

The proposed appointments by the Leader of the Council of Councillors to serve on the Executive will be set out in Appendix A (to follow).

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

3.3 The Leader also appoints Members to the Health and Wellbeing Board – the appointments will be reported to the meeting of the Executive.

Non-Applicable Headings:	Vulnerable Adults and Children/Financial/Personnel/ Legal/Procurement
Background Documents: (Access via Contact Officer)	Council Constitution Executive Appointments Report – May 2023

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Agenda Item 6

Report No.
FSD24036

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: Executive 22nd May 2024

Decision Type: Non-Urgent Executive Non-Key

Title: PROVISIONAL FINAL ACCOUNTS 2023/24

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 2023/24 provisional outturn at portfolio level and Council wide as well as the potential implications for the Council's financial position in 2024/25. The purpose of the report is to give a broad overview of the financial outturn.
- 1.2 The 2023/24 provisional outturn enables the General Fund balance to remain at £20m, subject to the recommendations in this report being agreed.
- 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 2023/24 financial year and the earmarked balances on the General Fund as at 31st March 2024;
- (b) consider the variations in 2023/24 impacting on the Council's 2024/25 financial position as detailed in para 5.1;
- (c) consider the comments from Chief Officers as detailed in Appendix 2;

- (d) approve the requests for carry forwards totalling £888k (net) as detailed in Appendix 6, subject to the funding being allocated to the Central Contingency in 2024/25 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. 3.5;**
- (f) recommend to Council the drawdown of £2,670k from the Business Rates Risk Reserve as set out in para 3.9.1;**
- (g) agree the transfer of £469k from the Payment in Lieu Reserve for Temporary Accommodation reserve to the LBB owned affordable housing reserve as detailed in para 3.8.3.**
- (h) recommend to Council the reduction in contribution of £6,319k from the Collection Fund surplus set aside earmarked reserve as set out in para 3.9.2.**

2.2 Council are requested to:

- (i) agree the drawdown of £2,670k from the Business Rates Risk Reserve as set out in para 3.9.1;**
- (j) agree the reduction in contribution of £6,319k from the Collection Fund surplus set aside as set out in para 3.9.2.**

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: £232.6m
 5. Source of funding: See Appendix 1 for overall funding of Council's budget
-

Personnel

1. Number of staff (current and additional): 2,249 fte posts (per 2023/24 Budget) which includes 481 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 2023/24 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 2023/24

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 2023/24 is shown in the table below.

3.1.2 The 2023/24 provisional outturn shows no overall net movement in general fund balances, subject to approval of the contributions to earmarked reserves, as detailed in section 3.8.

Provisional Outturn on Services & Central Items	2023/24 Original Budget £'000	2023/24 Latest Budget £'000	2023/24 Provisional Outturn £'000	2023/24 Variation £'000
Portfolio				
Adult Care and Health	84,178	85,932	87,243	1,311
Children, Education & Families	55,253	58,317	65,224	6,907
Environment & Community	38,033	39,338	39,348	10
Public Protection & Enforcement	3,228	3,357	3,204	Cr 153
Renewal, Recreation & Housing	15,611	16,295	21,898	5,603
Resources, Commissioning and Contracts Management	48,840	49,321	49,368	47
Total Controllable Budgets	245,143	252,560	266,285	13,725
Capital Charges, Insurance and Pension Costs	16,604	1,905	1,812	Cr 93
Non General Fund Recharges	Cr 938	Cr 949	Cr 949	0
Total Portfolio Budgets	260,809	253,516	267,148	13,632
Adj. for Carry Forwards from 2023/24 to 2024/25	0	0	888	888
Capital, Insurance & Pension a/c Requirements	Cr 9,878	0	0	0
Total Portfolio Budgets (adj. for carry forwards and accounting requirements)	250,931	253,516	268,036	14,520
Income from Investment Properties	Cr 8,777	Cr 6,386	Cr 6,386	0
Interest on General Fund Balances	Cr 9,841	Cr 9,841	Cr 14,715	Cr 4,874
Total Investment Income	Cr 18,618	Cr 16,227	Cr 21,101	Cr 4,874
Contingency Provision (see Appendix 4)	26,631	13,239	0	Cr 13,239
Other Central Items	Cr 3,522	5,477	4,860	Cr 617
	23,109	18,716	4,860	Cr 13,856
Total Variation on Services and Central Items	255,422	256,005	251,795	Cr 4,210
Prior Year Adjustments	0	0	Cr 3,562	Cr 3,562
Total Variation	255,422	256,005	248,233	Cr 7,772
Carry forwards from 2023/24 to 2024/25	0	0	Cr 888	Cr 888
Net Variation (after allowing for carry forwards)	255,422	256,005	247,345	Cr 8,660

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 £888k is requested to be carried forward into 2024/25.

3.3.2 This includes significant grant funded requests of £1,628k for Improved Better Care Fund, £2,727k for Public Health and £3,583k Homes for Ukraine as detailed below. As in previous years it is proposed that the carry forwards are allocated to the 2024/25 Central Contingency Sum to be drawn down on the approval of the relevant Portfolio Holder.

3.3.3 Full details of the carry forward requests are set out in Appendix 6.

3.3.4 Improved Better Care Fund (IBCF)

The IBCF is 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 spending during 2023/24 was £9,642k. A total of £8,014k of IBCF was spent in 2023/24, resulting in an unspent balance totalling £1,628k, and it is requested that Members agree the carry forward of this amount into 2024/25. 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.

3.3.5 Public Health

The grant conditions require that 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 six years prior to 2023/24. A cumulative unspent balance of Public Health grant of £2,874k was carried forward from 22/23 to 23/24. The Council's allocation of Public Health grant for 23/24 was £16,120k and the Council has used a total of £16,267k of Public Health grant in 23/24 to fund eligible expenditure. It is requested that the remaining cumulative balance of £2,727k is carried forward to fund public health initiatives that may be required in 2024/25 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.

3.3.6 Homes for Ukraine

The Department for Levelling Up, Housing and Communities (DLUHC) launched the Homes for Ukraine scheme on the 14th March 2022. The scheme allows people living in the UK to sponsor a Ukrainian national or family to come and live in the UK providing there is suitable accommodation available. The grant also covers any additional costs that the Authority may incur. A total of £1,995k of new grant was received during the year of which £1,328k was spent in the 2023/24 financial year. Funding of £5,415k was also carried forward into the 2023/24 financial year, of which £2,500k was allocated. Therefore £3,583k is being requested

to be carried forward into the following financial years. It has been agreed previously at the Executive that £2.915k was allocated to support costs incurred in 2024/25. This leaves £667k to cover staffing and other costs incurred in future years.

3.4 Interest on Balances

- 3.4.1 The budget for Interest on Balances for 2023/24 was set at £9,841k, which was an increase of £7m over the 2022/23 budget. This reflected the significant increase in anticipated interest earnings as a result of the significant increases in the Bank of England base rate, partly 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.
- 3.4.2 At the time the draft 2023/24 budget was prepared, the Council's treasury management advisors, Link Group, were projecting that the base rate would peak at 4.5% in June before starting to fall in 2024. The base rate actually increased to 5.25% in August 2023 and has remained at that level for the rest of the financial year. £230m of new core fixed-interest investments were made during 2023/24 at an average rate of 5.82%, which compares to an average rate of 3.29% on the £265m of investments that matured during the same period.
- 3.4.3 Additionally, investment balances did not reduce during the year to the extent projected, increasing from £344m at the start of the financial year to £381m at the end of the first quarter, reducing only slightly to £380m at the end of the second quarter, to £370m at the end of the third quarter and then to £327m at the end of the year. As a result, the interest on balances outturn exceeded the budget by £4.9m.

3.5 Central Contingency Sum

- 3.5.1 The 2023/24 Central Contingency contained various provisions which reflected uncertainty around potential costs, grants and service pressures. There is a total net variation of £13.2m relating to provisions that were not required in the 2023/24 financial year. Further details of the allocations from, and variations in, the 2023/24 Central Contingency are included in Appendix 4.

3.5.2 Homes for Ukraine - £642k Dr & Cr

The Department for Levelling Up, Housing and Communities (DLUHC) launched the Homes for Ukraine scheme on the 14th March 2022. The scheme allows people living in the UK to sponsor a Ukrainian national or family to come and live in the UK providing there is suitable accommodation available. The grant also covers any additional costs that the Authority may incur. Part of the funding can be carried forward into the new financial year to continue to support the Ukrainians living in Bromley.

3.5.3 Household Support Fund £3,736k Dr & Cr

The grant is to provide support to local authorities to provide support to households, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs. This has been spent on Housing assistance and food vouchers for children in the holiday periods that would otherwise receive free school meals.

3.5.4 Supporting Families, Investing in Practice Grant - £473k Dr & Cr

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. As the grant is only

confirmed for one year only it is held in contingency. The Portfolio Holder has previously agreed the release of the carry forward amount of £475k in September. Therefore, this will give a total in year budget of £948k which will enable the service to provide the function as described.

3.5.5 Increase in fuel costs - £1,306k

An additional £1,306k is being requested due to the fluctuations in fuel costs, taking the total drawn down from an originally estimated £2,624k resulting in a total drawdown of £1,560k – a reduction of £1,064k.

3.5.6 Public Health inflation - £128k cr

The 2023/24 outturn assumes the inflationary uplifts on salaries in the Public Health service is met from the Council's allocation of Public Health grant. This results in an amount of £128k that can be released back to the provision for Unallocated Inflation in Contingency.

3.5.7 Return of Investment property income budget - £609k Cr

The forecasted position in Q3 was a £3m pressure on this income line, this has improved by just over £600k at year end, with a pressure of £2.391m being the final position. This is more in line with what was anticipated to be the in year shortfall in rent, with the Glades and the Parades being the main contributors to this position. The main contributors for the improvement are the Biggin Hill turnover rent which was not in the forecast and has come in higher than anticipated, as well as receiving more part year income than anticipated for the Glades as well as the Parades. Therefore, it is proposed that the £609k be returned to the contingency.

3.5.8 Dual running costs - £123k Dr

£1.8m of dual running costs were agreed by the Executive on the 20th September 2023. Following a review the funding needs to be increased by £123k due to unforeseen one-off additional costs to ensure the building was up to code and met health and safety standards, especially with the early movers utilising the building on a full time basis.

3.6 Earmarked Reserves

3.6.1 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 2024/25 Council Tax report to Executive on 7th February 2024.

3.6.2 A summary of the actual balances held in earmarked reserves as at 31st March 2024 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. Appendix 7 also reflects the impact of proposals elsewhere on this agenda.

3.6.3 Full details of the current position on the Growth and Investment Fund will be included in the Capital Programme Outturn 2023/24 which will come to a future meeting of the Executive.

3.7 Prior Year Adjustments (PYA) resulting in a Net Credit Provision of £3,562k Cr

3.7.1 Financial provisions were made in prior years accounts and an element of these are no longer required and have therefore been released in 2023/24 resulting in a credit of £3,562k.

3.7.2 Release of prior year provisions - £295k Dr

A provision was made for invoices and potential credits in previous years in Adult Social Care. These are no longer applicable and so have been released as a PYA back into the accounts for 2023/24.

3.7.3 Grant repayment provision no longer required - £569k Cr

The Council received a number of grants in 2021/22 to support the local response to the covid pandemic. These were used to fund eligible expenditure in 21/22 and 22/23. The Council prudently set aside provision in case there was a call for repayment of these monies from Central Government, but it is now the view of Officers that these provisions can be released to support pressures across the Council.

3.7.4 Bad Debt Provision no longer required (Car Parking) - £3,288k Cr

This balance was created due to a change in approach during the pandemic, in order to take a more prudent approach to our bad debt provisions, given the uncertainty on income recovery during that period. Collections of parking debt has not significantly changed and therefore this provision is being released as a prior year adjustment.

3.8 Contribution to earmarked reserves

3.8.1 Transfer to the LBB owned affordable housing earmarked reserve - £469k

In July 2020 Council approved the setting up of a Housing Revenue Account (HRA) for the provision of affordable housing. The Council currently has an exemption from the Secretary of State to hold up to 199 properties in the General Fund rather than in the HRA, which has meant that the Council has not yet had to re-open the HRA. As part of the preparation for re-opening the HRA however, the Council has ringfenced income and expenditure in relation to the Council-owned Housing units within the General Fund, and the net surplus for 23/24 of £406k, plus the 22/23 surplus of £63k, will be transferred to a new earmarked reserve for 'LBB owned affordable housing'.

3.9 Contribution from Reserves

3.9.1 Business rates risk reserve

A total of sum of £4,200k was set aside in previous years to manage the impact of any unexpected reductions/volatility in retained business rate income. It is recommended that a one-off sum of £2,670k is drawn down from this reserve to cover the net impact of reduced business rates related income accounted for during 2023/24.

3.9.2 Collection Fund surplus set aside

2023/24 assumes a contribution of £9.1m Collection Fund surplus set aside earmarked reserve to support the revenue budget. It is proposed that the savings of £6,319k is utilised to reduce the drawdown of this reserve. It is important to note that the retained reserve will be needed to support the revenue budget in future years.

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 2024 as detailed below:

General Fund Balance as at 1st April 2023	Cr 20,000
Net variations on Services and Central items	Cr 7,772
Variations in Business Rates Retention and reserves	7,189
	Cr 20,583
Adjustment to Balances	
Carry Forwards (funded from underspends in 2022/23)	583
General Fund Balance as at 31st March 2024	<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:

	2023/24	2024/25
	Budget	Impact
	£'000	£'000
Adult Care & Health Portfolio		
Assessment & Care Management - Care Placements	31,464	4,637
Learning Disabilities - Care Placements, Transport & Care Management	42,273	2,367
Mental Health - Care Placements	6,598	529
		<u>7,533</u>
Children, Education & Families Portfolio		
Children's Social Care	49,574	8,494
SEN Transport	10,324	2,015
		<u>10,509</u>
Renewal, Recreation and Housing		
Supporting People	1,070 Cr	148
Allocations and Accommodation	5,418	8,743
		<u>8,595</u>
TOTAL		<u>26,637</u>

- 5.2 A significant part of the above has been reflected in the 2023/24 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 Housing and children's social care. Additional full year costs of £17.3m were assumed in the 2024/25 budget and officers will continue to explore options to mitigate these additional costs.
- 5.3 However significant pressures remain unfunded in excess of £9m across the Council compared with the 2024/25 budget which mainly relates to Housing and Childrens Social Care. 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 2024/25 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 in June.

7. CAPITAL EXPENDITURE AND RECEIPTS

7.1 Capital Expenditure

7.1.1 The final capital outturn for the year was £49.4m, compared to the final revised budget of £60.0m (after assumed slippage of £10.0m). The total net variation is Cr £20.6m, which is primarily due to slippage in the Renewal, Recreation & Housing portfolio (Cr £18.7m), Resources, Commissioning & Contract Management portfolio (£2.6m) and Environment and Community Portfolio (Cr £2.7m). Full details of the Capital Programme Outturn 2023/24 will come to a future meeting of the Executive.

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 2023/24 for new capital receipts from asset disposals was £40.0m. This was slightly lower than the estimated figure reported to the Executive in February 2024 (£43.8m) due to the West Wickham housing scheme no longer having any private sales.

8 SECTION 106

8.1 An update on balances as at 31st March 2024 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 current projected overspend in the DSG of £3,516k. This will be added to the £12,706k carried forward in the reserves from 2022/23. This gives us an estimated DSG reserve deficit of £16,222k at the end of the financial year. Officers are currently working on a recovery plan with DfE as part of their work across the country with Local Authorities with DSG deficit positions and this plan will be considered in due course.

10 ACADEMIES

10.1 During the 2023/24 financial 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 the remaining schools balances have decreased from £3,070k to £2,111k during 2023/24.

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 2023/24 of £4.8m (2022/23: £3.2m surplus). A one-off sum of £1.1m will be allocated to the GLA and £3.7m to the Council in 2024/25.

11.3 There is an overall deficit of £2.3m (2022/23 £3.2m 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, £0.8m will be allocated to the GLA, £0.8m to Central Government and £0.7m 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.

11.6 The Council also utilised funding in 2023/24 which had been set aside in the Collection Fund Deferred Costs Reserve and the Collection Fund Surplus Earmarked Reserve of £2.3m and £9.1m respectively. A further drawdown of £10m will also be made from the Collection Fund Surplus Earmarked Reserve for 2024/25.

12 FINANCIAL CONTEXT

12.1 Review of Capital Programme and Funding

The Council undertook, completed and reported to Executive:

- The Operational Property Review (Executive, 30th November 2022) ;
- Property Disposals (Executive, 30th November 2022);
- Capital Strategy 2023/24 to 2026/27 and Q3 Capital Programme Monitoring (Executive, 18th January 2023).

12.2 To address the existing capital funding shortfall to meet the cost of the approved capital programme, members agreed to refinance housing costs through borrowing, utilisation of capital receipts from the property disposals programme with the unfunded balance (subject to a limit of £10m) being met from earmarked reserves.

12.3 The 'Capital Strategy 2024/25 to 2027/28 & Q3 Capital Programme Monitoring' report to the previous meeting of Executive referred to the need to consider financing new schemes

through external borrowing if they cannot be funded through external grants or contribution. This approach recognises the significant reduction in the Councils earmarked reserves over the next few years.

- 12.4 The 2024/25 Council Tax report to Executive in February 2024 provided a projected revenue budget deficit over the next three years (£16.6m in 2025/26, £34.2m in 2026/27 and £38.7m in 2027/28). Since that report was produced, further cost pressures have been identified relating to the full year effect (see para 5.1) and it is important that Chief Officers consider options to reduce the overall impact in order to mitigate against a deteriorating financial position for future years.
- 12.5 Section 5.1 identifies full year costs of £26.6m mainly relating to the impact of in year overspends. Although the majority of these costs have been reflected in the 2024/25 Budget subsequent cost pressures have been identified which could equate to up to £9m per annum – without any corrective action this will also result in significant cost pressures being added to the ‘budget gap’ for 2025/26 and future years. This report (see para 9.2) also refers to the DSG deficit which is expected to continue in future years and ultimately such deficits have to be funded by a drawdown of reserves, whilst the statutory override remains in place.
- 12.6 Given the scale of the Councils budget gap, it is important to recognise the impact of the full year effect (para 5.1) which could have a worsening impact on the position for future years.
- 12.7 Details of the need to retain adequate level of reserves was reported in Appendix 4 of the 2024/25 Council Tax report to Executive in February 2024.
- 12.8 Further updates will be provided as part of the 2024/25 quarterly budget monitoring reports to future meetings of the Executive.

13 IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 13.1 The 2023/24 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.

14 POLICY IMPLICATIONS

- 14.1 The 2023/24 Budget enabled the Council to continue to deliver on its ‘Making Bromley Even Better’ key priorities with the Council delivering key services and lives within its means
- 14.2 The “2024/25 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2024/25 to minimise the risk of compounding financial pressures in future years.
- 14.3 Chief Officer’s comments are included in Appendix 2.

15 FINANCIAL IMPLICATIONS

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

Non-Applicable Sections:	Legal, Personnel
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<p>Background Documents: (Access via Contact Officer)</p>	<p>2024/25 Council Tax – Executive 7th February 2024; 2023/24 Council Tax – Executive 8th February 2023; Draft 2023/24 Budget and Update on Council's Financial strategy 2023/24 to 2026/27 - Executive 18th January 2023; Budget Monitoring Reports in 2023/24 – Executive; Financial Management Budget Monitoring files across all Portfolios; Provisional Final Accounts 2022/23 Executive 5th July 2023 Treasury Management Annual Investment Strategy 2023/24 – Council 26th February 2024; Treasury Management Quarterly Performance reports – Executive and Resources PDS Committee; Capital Programme Outturn 2023/24</p>
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GENERAL FUND - PROVISIONAL OUTTURN FOR 2023/24

Portfolio	2023/24	Budget	2023/24	2023/24	Variation	Variation
	Original	Variations	Latest	Provisional		
	Budget	allocated in	Approved Budget	Outturn	£'000	reported
	£'000	year #	£'000	£'000	£'000	Exec
Adult Care & Health	84,178	1,754	85,932	87,243	1,311	1,925
Children, Education & Families (incl. Schools' Budget)	55,253	3,064	58,317	65,224	6,907	7,721
Environment & Community	38,033	1,305	39,338	39,348	10	552
Public Protection & Enforcement	3,228	129	3,357	3,204	Cr 153	0
Renewal, Recreation & Housing	15,611	684	16,295	21,898	5,603	3,721
Resources, Commissioning & Contracts Management	48,840	481	49,321	49,368	47	287
Total Controllable Budgets	245,143	7,417	252,560	266,285	13,725	14,206
Capital, Insurance & Pensions Costs (see note 2)	16,604	Cr 14,699	1,905	1,812	Cr 93	0
Non General Fund Recharges	Cr 938	Cr 11	Cr 949	Cr 949	0	0
Total Portfolios (see note 1)	260,809	Cr 7,293	253,516	267,148	13,632	14,206
Adjustment for Carry forwards from 2023/24 to 2024/25	0	0	0	888	888	0
Reversal of net Capital Charges (see note 2)	Cr 9,878	9,878	0	0	0	0
	250,931	2,585	253,516	268,036	14,520	14,206
Central Items:						
Income from Investment Properties	Cr 8,777	2,391	Cr 6,386	Cr 6,386	0	0
Interest on General Fund Balances	Cr 9,841	0	Cr 9,841	Cr 14,715	Cr 4,874	Cr 4,500
Total Investment Income	Cr 18,618	2,391	Cr 16,227	Cr 21,101	Cr 4,874	Cr 4,500
Contingency Provision (see Appendix 4)	26,631	Cr 13,392	13,239	0	Cr 13,239	Cr 9,619
Other central items						
Additional Capital Grants Funding Rev Exp under statute	Cr 4,832	4,832	0	0	0	0
New Homes Bonus Support for Revenue	9	0	9	9	0	0
Homes for Ukraine allocation	0	0	0	Cr 2,200	Cr 2,200	Cr 2,200
Contribution to earmarked reserves future cost pressures HFU	0	0	0	2,200	2,200	2,200
Dual running of Civic Centres	0	1,923	1,923	1,306	Cr 617	0
Transfer of funding to capital programme	0	2,000	2,000	2,000	0	0
Transfer of funding to capital programme - Library	0	244	244	244	0	0
Levies	1,301	0	1,301	1,301	0	0
Total other central items	Cr 3,522	8,999	5,477	4,860	Cr 617	0
Carry Forwards from 2023/24 to 2024/25	0	0	0	Cr 888	Cr 888	0
Prior Year Adjustments						
Energy and utilities cost pressure in Housing	0	0	0	0	0	Cr 173
Release of Prior Year Provisions - ASC	0	0	0	295	295	0
Grant repayment provision no longer required - various	0	0	0	Cr 569	Cr 569	0
Bad debt provision no longer required (Car parking)	0	0	0	Cr 3,288	Cr 3,288	0
Total Prior Year Adjustments	0	0	0	Cr 3,562	Cr 3,562	Cr 173
Total all central items	4,491	Cr 2,002	2,489	Cr 19,803	Cr 22,292	Cr 14,292
Bromley's Requirement before balances	255,422	583	256,005	248,233	Cr 7,772	Cr 86
Carry Forwards from 2022/23 (see note 3)	0	Cr 583	Cr 583	0	583	644
Adjustment to Balances	0	0	0	0	Cr 0	Cr 147
	255,422	0	255,422	248,233	Cr 7,189	411
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 47,000	0	Cr 47,000	Cr 43,929	3,071	0
Additional one off business rate adj (LGovt Settlement)	0	0	0	Cr 401	Cr 401	Cr 411
Use of Business Rate Risk Reserve	0	0	0	Cr 2,670	Cr 2,670	0
New Homes Bonus	Cr 9	0	Cr 9	Cr 9	0	0
One off 2023/24 Services Grant	Cr 1,556	0	Cr 1,556	Cr 1,556	0	0
Council Tax Support - Collection Fund surplus	Cr 2,300	0	Cr 2,300	Cr 2,300	0	0
Use of Specific Earmarked reserve to fund additional Social Workers	Cr 870	0	Cr 870	0	870	0
Collection Fund Surplus	Cr 14,511	0	Cr 14,511	Cr 8,192	6,319	0
Bromley's Requirement	189,176	0	189,176	189,176	Cr 0	0
GLA Precept	58,215	0	58,215	58,215	0	0
Council Tax Requirement	247,391	0	247,391	247,391	Cr 0	0

Budget Variations allocated to portfolios in year consists of:

1) Carry forwards from 2022/23	583	(see note 3)
2) Capital, Insurance and Pension Accounting requirements	Cr 9,878	(see note 2)
3) Allocations from the central contingency provision	2,002	(see Appendix 4)
	Cr 7,293	

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2023/24	Budget	2023/24	2023/24	Variation	
	Original Budget	Variations	Approved Budget	Projected	previously	
	£'000	allocated in	£'000	Outturn	reported	
	£'000	#	£'000	£'000	Exec	
People Department	155,814	3,628	159,442	167,315	7,873	9,466
Place Department	81,753	Cr 10,622	71,131	77,163	6,032	4,273
Chief Executive's Department	23,242	Cr 299	22,943	22,670	Cr 273	467
	260,809	Cr 7,293	253,516	267,148	13,632	14,206

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 2022/23

Carry forwards from 2022/23 into 2023/24 totalling £644k were approved by Council and the Executive. Full details were reported to the July meeting of the Executive in the "Provisional Final Accounts 2022/23" report.

Comments from the Director of Environmental Services & PPE

The key departmental budgetary pressures are sitting within Highways, Parking Services and Arboriculture. The weather over the last year impacted heavily on service delivery with the hottest June on record, and more than our fair share of rain with impactful storms like Babet and Ciaran affecting a range of front-line operations and then, albeit a short but very cold winter spell that again disrupted front line operations. In particular, the highways maintenance service, street and drainage cleaning, grounds maintenance and trees required additional non-routine works during the past year.

The trend in the reduction in waste volumes has continued with waste officers confirming that waste volumes have continued to hold at pre-Covid levels. The income through recycled material has fluctuated this year, particularly with processing recycled paper with a reduction in commodity prices over the year. Material prices can vary and whilst an over achievement was made for 2022/23, this position cannot be guaranteed going forward.

Pothole repairs have added a pressure on the Highways budgets. The number of highways defects (carriageway and footway) has nearly doubled in the first 6 months of the year and these projects have statutory requirements.

There was a downward trend in numbers of vehicles parking in our car parks, reflecting national trends. Officers will continue to monitor and analyse the data trends to ensure the correct tariffs are in place to help with demand per location. The longer term trend means that income is unlikely to return to budgeted levels and future budget setting should take account of this.

The TfL LIP grant has, it seems, settled to a consistent level, but at about 40% less than it was pre-2020. This means fewer highway improvement schemes can be undertaken, along with less road safety education, and several posts are held vacant accordingly.

Public Protection maintained a stable position throughout 2023-24.

A key challenge has been overcoming the national shortage of professional officers with the skills required within Public Protection. Agency has been used to backfill with limited success as there is also a shortage of competent temporary staff. To mitigate alternative, commissioned service provision is being piloted within Environmental Protection and Food Safety.

Comments from the Director of Adult Social Care

As can be seen, pressures on the budget have continued but at the end of Q4 show a slightly improved position. There remain three main pressure areas, hospital discharge, community equipment and costs relating to the transition of young people into adult services.

Whilst pressures are being managed in relation to hospital discharge, the current pressures within the health system may have a knock on to the adult's budget. Systems are in place to monitor this on a very regular basis and any impacts will be challenged and managed through the One Bromley Executive. The Director is currently chairing this board so has a direct influence on information provided to the board for all partners. Where appropriate, funding has been drawn down from joint pots of money with health to minimise the impact on the Councils budget.

The new Integrated Community Equipment Service continues to generate some concerns and alternative options for the delivery of this service are currently being explored, including managing a move away from the current collaborative approach across London. The risk highlighted at the end of the last quarter around the non-payment of credits did not materialise and all credits were received before the end of the financial year.

It is important to note also that the Directorate overdelivered against the Transformation savings, which is credit to all staff within the Directorate at a time of increased demand and cost. I am proud of what has been delivered within the year.

Comments from the Director of Housing, Planning and Regeneration

£1,589k of growth was included in the housing budget for 2023/24 to reflect the continuing pressures in relation to homelessness and the provision of temporary accommodation. A total of £1,745k savings was also included to mitigate these pressures.

Despite ongoing prevention work, the number of homeless approaches is starting to rise with an increase of 210 new approaches during the first half of 2023/24 compared to the same period in the preceding year. This is projected to equate to a 10% rise for the financial year.

The supply of temporary accommodation is under increased pressure meaning that the majority of new placements can only be secured through the nightly paid market. There is increased pressure on nightly paid accommodation rates across London and the South East which have risen steeply during the past 12 months with roughly a 30% increase in average rates. The Council is now regularly being forced to make emergency placements into commercial hotels as there is simply insufficient accommodation becoming readily available. This has resulted in a £4,806k overspend on temporary accommodation in 2023/24, with a £5,296k overspend on housing overall. As has been reported, work is ongoing to increase the supply of affordable housing to continue to mitigate and reduce the current pressures relating to temporary accommodation particularly in relation to the increased ability to secure leased accommodation within temporary accommodation subsidy rates.

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 from all London Councils. In particular significant increases in the cost of procuring temporary accommodation.
- ii) Increased rent arrears arising from inflation and increased costs of utilities and so forth
- iii) Reduced vacant housing association properties coming forward for letting and insufficient capacity within the private sector to meet the shortfall.
- iv) Increased maintenance and repairs costs in relation to the travellers site required to maintain health and safety standards.
- v) Increases being seen in construction and maintenance costs.

Comments from the Director of Childrens Services

The Children, Education and Families Portfolio has a projected overspend of £6,907k for the year.

The Education Division (core funding) has a projected overspend of £669k.

SEN Transport continues to be a risk area. There are a number of causal factors affecting the position on transport:

An increase in number and complexity of Special Educational Needs and Disabilities over the past five years. The national increase in EHCPs is widely acknowledged as unsustainable and the rate of increase is accelerating across the country. In Bromley, the rate of increase had reached 17% in 2021/22. We have taken significant steps to reduce the rate of increase in EHCPs, including the introduction of new guidance on Ordinarily Available Provision and the expectations of support before statutory assessment is considered. This multi-agency approach has helped to reduce the rate of increase to 10% (January 2022-January 2023). Furthermore, we have put in place additional measures over the past 12 months to support families and provide alternative services at an earlier stage. Nevertheless, we continue to see the impact of increasing numbers of EHCPs, leading to c120 additional children or young people requiring transport in the financial year 2023/24. This pressure is exacerbated by the shortage of local specialist provision leading to high numbers of placements to out of Borough and independent non-maintained providers, which increases transport costs.

The complexity of children and young people's needs continues to be at a higher level than prior to the Covid pandemic. These high levels of demand have continued for the past 3 years. A number of these cases have acute social, emotional and mental health needs, which require specialist provision which is typically costly independent provision outside of Bromley. Transport is often required and although officers seek to minimise costs, transport is often statutorily required to meet children's needs.

There are continued transport provider pressures linked to the cost of fuel and wages. The reduced availability of drivers has resulted in more expensive providers having to be used from the call off framework.

Significant management action has been taken to reduce the costs of SEN Transport. Following agreement by Members within 2022/23, the implementation of these measures has led to cost reductions as per the savings targets in the MTFS.

There is a current projected in year overspend in Education (DSG funding) of £3,516k in year. This will be added to the £12,706k carried forward in the reserves from 2022/23. This gives us an estimated DSG reserve of £16,222k at the end of the financial year.

The in-year deficit position for 2023/24 was lower than forecast, reflecting effective management action taken, with the support of Finance officers. In June we will meet again with representatives from the DfE to review our management of the DSG over-spend. At all previous meetings, DfE officials confirmed that they were satisfied with the steps that we continue to take and are content to meet with Bromley on an annual basis. DfE officials were asked whether their experience directly monitoring 20-30 other LAs through Safety Valve and Delivering Better Value highlighted any additional mitigations for Bromley to consider, but none were put forward.

The impact of additional legal duties from the SEND Reforms, has led to unsustainable financial pressures on High Needs costs within the DSG. The increase in Government funding is not sufficient to meet the increased costs. We are aware that Bromley was one of the last London Boroughs to incur a deficit in the DSG, with some local authorities having incurred deficits well in excess of £30m. The SEND legal framework is heavily weighted in favour of parental preference, which is often for costly independent day and residential provision. We continue to assess all cases carefully and with a view to carefully balancing the education needs of young people and ensuring the best value for money from specialist education placements. Where it is appropriate to do so we continue to defend our decisions at Tribunal.

The demand management mitigations referenced earlier in this report are anticipated to have a sustained impact on the further growth in costs of provision for children and young people with an EHCP. We have sought to commission additional local specialist provision, including a new special free school, with successive delays encountered for this DfE-led capital scheme. The needs and tribunal challenges are such that we have no choice but to continue placing children in more costly provision to ensure we are not in default of our legal statutory duties.

A review of High Needs Funding Bands is nearing conclusion, with oversight from the SEND Governance Board and CEF PDS. Recommendations will be made how the funding bands can be simplified and to identify where any savings can be made. We continue to work on increases to local specialist provision, including the special free school and increases in Additionally Resourced Provisions, which are specialist classes within mainstream schools.

In Children's Social Care the projected overspend is £6,238k.

The ongoing pressures that relate to emotional and mental health concerns for young people, combined with the impact of inflation and cost of living pressures continues, especially in respect of contacts into our MASH. These continue to remain consistently around 1,100 -1,200 contacts per month with little sign of a reduction. This compares to around 600 in April 2020 and it is the increasing complexity of need from the families and children that have an added dimension.

Although much reduced from the previous year, the financial pressures across CSC continue to be primarily driven by placement costs for young people and by the cost of agency staff.

Nationally, the cost of residential placements increased by 18.78% in 2022/23 (ADCS 2023) as demand continues to be greater than the number of placements available, particularly for children with complex or specialist requirements. The two key factors driving increasing costs of placements to keep children safe, are the mental health of children and the criminal exploitation of children.

Although our recruitment of permanent staff has increased and we now have fewer agency staff than in the past two years, our spend on agency staff still contributes to the pressures on the CSC staffing budget. As previously outlined to PDS, we are currently exploring options for the Council to set-up its own Children's home and/or agree the block booking of beds at a competitive rate in order to more actively influence costs and sufficiency.

There also continues to be a high level of demand for support particularly in Children with Disabilities (CWD) which has meant a rise in demand for our short break provision. In response we have sought to increase the number of nights available for the number of families requiring this. Whilst these continued pressures have meant an increase in our looked after population in CWD despite the innovative and expensive care packages put in to support with health provision short breaks. The resilience for some families is now being significantly tested following two years of Covid challenges. This is primarily seen in families for children with profound and complex health and challenging sometimes aggressive behaviour.

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

Recruitment and retention of permanent staff/ ability to recruit skilled staff for the posts vacant and competitive salaries being paid at this time.

Limited supply and increasing costs of residential placements – including the specialist placements for very complex young people. The cost of placements that a Deprivation of Liberty Order (DOLS) is required are increasingly high . The judiciary still have delays with families being retained in residential placements beyond the assessment.

Continued complexity of children (SEND)

Shortage of local school places (particularly for Specialist schools).

Increasing High Needs Block expenditure not matched by a commensurate increase in Government Grant.

Adult Care and Health Portfolio Budget Monitoring Summary

2022/23 Actuals £'000	Division Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
PEOPLE DEPARTMENT								
Adult Social Care								
23,554	Assessment and Care Management	22,816	24,400	25,413	1,013	1	970	4,637
118	Direct Services	117	116	200	84	2	0	0
2,334	Quality Assurance & Safeguarding	2,075	2,695	2,539	Cr 156	3	Cr 160	0
43,807	Learning Disabilities	48,075	47,944	47,769	Cr 175	4	155	2,367
8,650	Mental Health	8,415	8,415	9,748	1,333	5	960	529
907	Placement and Brokerage	979	659	709	50	6	0	0
Cr 255	Better Care Fund - Protection of Social Care	0	0	Cr 123	Cr 123		0	0
79,115		82,477	84,229	86,255	2,026		1,925	7,533
Integrated Commissioning Service								
1,299	Integrated Commissioning Service Information & Early Intervention	1,400	1,400	1,297	Cr 103	7	0	0
1,205	- Net Expenditure	3,761	3,870	3,719	Cr 151	8	0	0
Cr 1,205	- Recharge to Better Care Fund Better Care Fund	Cr 3,756	Cr 3,735	Cr 4,196	Cr 461		0	0
25,602	- Expenditure	28,226	28,048	28,048	0	9	0	0
Cr 25,622	- Income Improved Better Care Fund	Cr 28,246	Cr 28,068	Cr 28,068	0		0	0
10,327	- Expenditure	8,130	8,130	8,130	0	10	0	0
Cr 10,327	- Income	Cr 8,130	Cr 8,130	Cr 8,130	0		0	0
1,279		1,385	1,515	800	Cr 715		0	0
Public Health								
16,166	Public Health	15,927	16,308	16,308	0		0	0
Cr 15,876	Public Health - Grant Income	Cr 15,611	Cr 16,120	Cr 16,120	0		0	0
290		316	188	188	0		0	0
80,684	TOTAL CONTROLLABLE ADULT CARE & HEALTH	84,178	85,932	87,243	1,311		1,925	7,533
421	TOTAL NON CONTROLLABLE	559	441	441	0		0	0
4,092	TOTAL EXCLUDED RECHARGES	3,494	3,413	3,413	0		0	0
85,197	TOTAL ADULT CARE & HEALTH PORTFOLIO	88,231	89,786	91,097	1,311		1,925	7,533

Reconciliation of Latest Approved Budget

£'000

2023/24 Original Budget

88,231

Carry forwards:

Supplementary Substance Misuse Treatment & Recovery Funding

- expenditure	57
- income	-57

Improved Better Care Fund (IBCF)

- expenditure	1,911
- income	-1,911

Public Health Grant

- expenditure	2,874
- income	-2,874

LD/Autism Funding from South East London ICB

- expenditure	30
- income	-30

Discharge Transformation Funding from South East London ICB

- expenditure	256
- income	-256

Winter Resilience Funding

- expenditure	400
- income	-400

Charging Reform Implementation Support Grant

- expenditure	104
- income	-104

Omicron Support Fund

- expenditure	136
- income	-136

Test and Trace service support grant

- expenditure	368
- income	-368

Contain Outbreak Management Fund grant		
- expenditure		54
- income		-54
Contingency:		
Market Sustainability and Improvement Fund		2,788
Adult Social Care Discharge Fund	Cr	1,084
Market Sustainability and Improvement Fund - Workforce Fund		
- expenditure		1,810
- income	Cr	1,810
ICB Funding for Hospital Discharges		
- expenditure		1,511
- income	Cr	1,511
Work Safe Project		
- expenditure		65
- income	Cr	65
Social Care grant re ASC reforms	Cr	720
Adult Social Care grant		1,400
Other:		
Transfer of Staff from LD Care Management to Children's 0-25 years' service	Cr	144
Transfer of Care Placements Team Staff to Children's Services	Cr	320
Wake up to Care Funding to Corporate Services	Cr	38
Public Health Funding for inflation	Cr	128
Memorandum Items:		
Capital Charges	Cr	201
Insurance		88
Repairs & Maintenance		9
Rent income	Cr	14
Excluded Recharges	Cr	81
Latest Approved Budget for 2023/24		<u><u>89,786</u></u>

1. Assessment and Care Management - Dr £1.013k

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	222
- Domiciliary Care / Direct Payments		3,172
		<u>2,950</u>
Services for 18-64		
- Placements	Cr	268
- Domiciliary Care / Direct Payments		1,068
		<u>800</u>
Market Sustainability and Improvement Fund (MSIF)		
- 23/24 MSIF allocation	Cr	1,368
- 23/24 MSIF Workforce Fund allocation	Cr	1,810
		<u>3,178</u>
Hospital Discharge Packages		
- Placements		2,178
- Domiciliary Care		1,327
- Enhanced Care		1,147
- LBB Discharge Funding	Cr	654
- ICB Discharge Funding	Cr	779
- Adult Social Care Reform growth	Cr	1,000
- BCF use of underspend	Cr	1,300
- Winter Resilience funding	Cr	400
		<u>519</u>
Other		
Staffing		503
Extra Care Housing	Cr	253
Day Care	Cr	350
Adult Transport	Cr	305
Community Equipment		389
Other	Cr	62
		<u>78</u>
		<u>1,013</u>

The 2023/24 budget includes funding for the full year effect of the September 2022 overspend as reported to Members in the September Budget Monitoring report.

Services for 65+ - Dr £2,950k

Numbers in residential and nursing care were approximately 3 placements below budget during the year, finishing with an underspend of £152k. Placements continued to be made above the guide rates due to market demands, and costs were also incurred for additional 1:1 support packages required for some service users in their placements. In addition to this, emergency and temporary placements underspent by £19k and respite care by £51k.

The overall position on the domiciliary care and direct payments budgets (65+) is a final overspend of £3,172k. Domiciliary care overspent by £2,511k and direct payments by £661k.

Services for 18-64 - Dr £800k

Placements for 18-64 age group overspent by £30k this year. Offsetting this was an underspend on emergency and temporary placements of £283k and respite care of £15k.

The overall position on the domiciliary care and direct payments budgets is a final overspend of £1,068k. Domiciliary care overspent by £662k and direct payments overspent by £406k.

The Market Sustainability and Improvement Fund funding from central government has been utilised during the year to support increasing costs of services, with £3.178m made available for this purpose.

Hospital Discharge - Dr £519k

Discharges from hospital continued to follow the new pathway set up with Health ending the year with an overspend of £4,652k, split between placements of £2,178k, domiciliary care of £1,327k and enhanced domiciliary care of £1,147k.

Additional funding of £4.133m was identified during the year to offset some of this cost: Hospital Discharge funding (£654k from LBB and £779k from the ICB); use of Better Care Fund reserve (£1,300k); additional Adult Social Care Reform funding of £1m and Winter Resilience funding brought forward of £400k, resulting in a net overspend of £519k.

Officers continue to ensure that service users are moved on from these packages to normal packages of care as soon as possible, ensuring that client contributions are being maximised. Use of expensive Enhanced care packages was also reduced significantly during the year. The numbers of residents being discharged are broadly within trend for Bromley, however, the packages of care are more expensive and for longer duration. Action is ongoing to reduce the length of stays in all hospital discharge placements to reduce the costs going into 2024/25.

Staffing - Dr £503k

The final position on staffing budgets for the Assessment and Care Management Division within Adult Social Care is an overspend of £503k. A combination of the use of more expensive agency staff and the non-achievement of the turnover saving (due to not carrying vacancies) of 3% built into the budget has resulted in this overspend.

Extra Care Housing - Cr £253k

Extra Care Housing underspent by £253k as a result of the net impact of voids (reduced care hours offset by Void payments to housing provider).

Day Care - Cr £350k / Transport - Cr £305k

Day Care services underspent by £350k, with numbers attending day centres being down on pre-covid numbers as service users switched to other services (such as Direct Payments) when the centres were closed during covid. This has also impacted the transport budget, which is showing a final underspend of £305k.

Community Equipment - Dr £389k

The community equipment budget has ended the year with a net overspend of £389k. A gross pressure of £1,732k is reported, which has been offset by an additional contribution from the ICB of £275k and a drawdown from Health reserves of £1.068m. There are expected to be continued pressures on this budget going into 2024/25.

Other - Cr £62k

The budget for administration of the Taxicard scheme run by London Councils underspent by £35k at year end. Additionally there were other minor under and overspends within Assessment and Care Management, across various premises and supplies and services budgets, that underspent by a net £27k.

2. Direct Services - Dr £84k

The Reablement Service ended the year with a small overspend of £9k relating mainly to staffing costs, due to increased activity in the service.

The Carelink Service ended the year with an overspend of £75k. Staffing costs were overspent by £7k, supplies and services underspent by £42k and income underachieved by £110k.

3. Quality Assurance & Safeguarding - Cr £156k

The final year end outturn for QA&S is an underspend of £156k. and is due to the following factors :-

The combined budget for DoLS assessments has ended the year with an underspend of £305k.

Staffing across the teams within the service has overspent by £100k, this includes a one off settlement

The remaining budgets across the service has resulted in an overspend of £49k, which mainly relates to Legal fees.

4. Learning Disabilities - Cr £175k

The 2023/24 Learning Disabilities (LD) budget included funding for 2023/24 demand-related pressures and the full year effect (FYE) of the 2022/23 overspend but also reductions relating to planned savings, significantly £0.5m on review of High cost placements.

An underspend of £175k achieved (Q3 £155k overspend variance forecast) based upon the current level of costs and service user numbers. Work still on-going around transitions in order to scrutinise any future impact on costs.

LD savings target of £500k built in the 2023/24 budget were achieved, in light of the outturn, with constant review of high residential and supported living placements, compounded by Direct Payments reviews.

5. Mental Health - Dr £1,333k

The 2023/24 budget included an adjustment for the full year effect of the September 2022 underspend reported to Members as part of the September Budget Monitoring report.

Placements for 65+ age group overspent by £657k (increase of £355k from Q3) on 64 service users (increased by 12 from Q3).

The overall position on the domiciliary care and direct payments budgets (65+) is an overspend of £70k. Domiciliary care overspent by £220k and direct payments to underspend by £150k. Budget will be realigned in 2024-25, with a shift from contracted service to DP.

Placements for the 18-64 age group overspent by £83k this year based on current service user numbers of 107 (also 107 in Q3), and mainly relates to placements in Nursing homes.

Domiciliary care and direct payments budgets (18-64) overspent by £343k as follows; Domiciliary care overspent by £265k and direct payments overspent by £77k. There is currently high demand with 40% of the cost invoiced in the last quarter.

There was an underspend of £85k achieved on recruitment and retention, and a £46k underspend on contingency budgets.

A savings target of £324k has not been achieved in 2023/24.

Transport costs underspent by £13k.

6. Placement and Brokerage - Dr £50k

A £50k overspend has arisen due to reliance on high cost agency staff to cover vacancies and partly utilised supernumerary post to cover work stream demands.

7. Integrated Commissioning Service - Cr £103k

Vacancy savings of £86k being one post vacant all year and another recruited into later in year.
Savings on Direct Payments contracts expenses of £17k

8. Information & Early Intervention - Cr £612k

Saving of £599k on Information and Early intervention, 22% of Primary and Secondary Intervention Services recharged to Public Health.
Saving of £13k on Primary and Secondary Intervention Service contracts.

9. Better Care Fund (BCF) - Nil variation

Other than variations on the protection of social care element, any underspends on Better Care Fund budgets will be carried forward for spending in future years under the pooled budget arrangement with South East London ICB.
The final 2023/24 allocation included a 5.66% increase above 2022/23 levels.

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

The total amount of funding available in 2023/24 is:

	£'000
2023/24 IBCF allocation	7,731
Carry forward from previous years	1,911
	<u>9,642</u>

The total spend in 23/24 was £8,014k, and therefore approval is sought to carry forward the unspent balance of £1,628k to 2024/25.

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, 6 waivers for Adult placements have been agreed for between £50k and £100k and 10 for more than £100k.

Virements Approved to date under Director's Delegated Powers

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

Children, Education and Families Portfolio Budget Monitoring Summary

2022/23 Actuals £'000	Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
CHILDREN, EDUCATION AND FAMILIES PORTFOLIO								
Education Division - Core funding								
Cr 347	Adult Education Centres	Cr 430	Cr 344	Cr 304	40	1	20	0
576	Schools and Early Years Commissioning & QA	739	977	708	Cr 269	2	Cr 69	0
2,771	SEN and Inclusion	2,525	3,604	3,207	Cr 397	3	Cr 240	0
100	Strategic Place Planning	56	139	44	Cr 95	4	0	0
17	Workforce Development & Governor Services	Cr 22	Cr 2	28	30	5	0	0
7,516	Access & Inclusion	8,134	8,975	10,303	1,328	6	1,684	2,015
196	Other Strategic Functions	459	242	179	Cr 63	7	Cr 215	0
Cr 40	Central School Costs	Cr 60	Cr 60	35	95	8	0	0
10,789		11,401	13,531	14,200	669		1,180	2,015
Children's Social Care								
1,911	Bromley Youth Support Programme	1,798	1,841	1,688	Cr 153	9	62	0
1,260	Early Intervention and Family Support	1,545	1,520	1,593	73	10	Cr 46	0
10,034	CLA and Care Leavers	11,485	12,352	12,603	251	11	831	2,526
22,122	Fostering, Adoption and Resources	23,880	24,380	25,767	1,387	12	1,794	4,545
5,184	0-25 Children Service (Disability Services)	3,714	4,313	6,017	1,704	13	1,427	1,528
5,073	Referral and Assessment Service	4,765	5,280	6,166	886	14	463	Cr 105
4,582	Safeguarding and Care Planning East	4,181	4,181	5,233	1,052	15	901	0
2,998	Safeguarding and Care Planning West	2,493	2,134	3,096	962	16	774	0
Cr 2,489	Safeguarding and Quality Improvement	Cr 6,255	Cr 6,427	Cr 6,351	76	17	335	0
50,675		47,606	49,574	55,812	6,238		6,541	8,494
61,464	TOTAL CONTROLLABLE FOR CEF CORE FUNDING	59,007	63,105	70,012	6,907		7,721	10,509
129	Total Non-Controllable	1,424	464	464	0		0	0
11,182	Total Excluded Recharges	7,208	6,165	6,165	0		0	0
72,775	TOTAL CEF PORTFOLIO CORE FUNDING	67,639	69,734	76,641	6,907		7,721	10,509
Education Division - DSG Funding								
21,691	Schools and Early Years Commissioning & QA	21,512	22,404	20,963	Cr 1,441	18	Cr 535	0
39,401	SEN and Inclusion	40,787	40,003	43,542	3,539	19	4,501	0
3,272	Access & Inclusion	3,635	3,376	2,970	Cr 406	20	Cr 143	0
22	Strategic Place Planning	94	11	5	Cr 16	21	0	0
6	Workforce Development & Governor Services	20	0	0	0		0	0
130	Other Strategic Functions	481	348	219	Cr 129	22	Cr 1	0
Cr 97,312	Schools Budgets	Cr 103,139	Cr 104,474	Cr 100,682	3,792	23	0	0
17,840	Special Schools and Alternative Provision	18,983	19,723	18,760	Cr 963	24	0	0
7,847	Primary Schools	10,075	10,023	8,634	Cr 1,389	25	35	0
4,005	Secondary Schools	3,798	3,798	4,327	529	26	0	0
0	Charge to Reserves	0	0	Cr 3,516	Cr 3,516	27	Cr 3,857	0
Cr 3,098		Cr 3,754	Cr 4,788	Cr 4,788	0		0	0
Cr 3,098	TOTAL CONTROLLABLE FOR CEF - DSG FUNDING	Cr 3,754	Cr 4,788	Cr 4,788	0		0	0
11	Total Non-Controllable	81	14	14	0		0	0
3,087	Total Excluded Recharges	3,673	4,774	4,774	0		0	0
0	TOTAL CEF PORTFOLIO - DSG FUNDING	0	0	0	0		0	0
TOTAL CEF PORTFOLIO		67,639	69,734	76,641	6,907		7,721	10,509

Reconciliation of Latest Approved Budget

£'000

Original Budget 2023/24

67,639

Contingency:

Carry forwards:

Deed Settlement for Hawes Down Site expenditure		5
Virtual School - CIN Grant Carry Forward expenditure	Cr	5
Homes for Ukraine DfE Grant expenditure		82
BAEC upgrading hardware and supporting software - GLA Grant expenditure	Cr	82
YOT NHS Money expenditure		1,187
COVID Recovery Grant expenditure	Cr	1,187
National Tutoring Programme expenditure		26
GLA Adult Ed Grant Repayment expenditure	Cr	26
		29
	Cr	29
		130
	Cr	130
		22
	Cr	22
		16

income	Cr	16
Supporting Families; Investing in Practice Grant		
expenditure		475
income	Cr	475
Homes for Ukraine Main Grant		
expenditure		300
income	Cr	300
Other:		
Transfer of Staff from LD Care Management to Children's 0-25 years' service		144
Transfer of Care Placements Team Staff to Children's Services		320
S31 Leaving Care Uplift Grant		
expenditure		68
income	Cr	68
GLA free school meal payment		
expenditure		6,036
income	Cr	6,036
UKSPF funding		
expenditure		275
income	Cr	275
Above Inflation Pressures on Children Placements		1,370
Drawdown of SEN Transport		1,000
Early Years Supplementary Grant		
expenditure		1,669
income	Cr	1,669
Extended Personal Advisor Grant		
expenditure		11
income	Cr	11
Homes for Ukraine Main Grant - Adult Education		
expenditure		80
income	Cr	80
Reducing Parental Conflict Grant		
expenditure		30
income	Cr	30
Adult Education GLA Grant Funding		
expenditure		82
income	Cr	82
Uplift to Youth Justice Board Grant		
expenditure		12
income	Cr	12
Change in DSG Early Years and High Needs Block		
expenditure - Early Years		1,077
expenditure - High Needs		258
income	Cr	1,335
Draw Down from Reserve to meet demand in EHCP's / High Needs		
Expenditure		525
Income	Cr	525
Increase in Fuel Costs		187
Increase in Fuel Costs		44
Autism Funding transferred from ACH		
expenditure		42
income	Cr	42
Youth Justice Grant Increase		
expenditure		3
income	Cr	3
DFE Delivery Support Fund		
expenditure		66
income	Cr	66
Strengthening Multi-Agency Leadership Grant		
expenditure		47
income	Cr	47
Supporting Families; Investing in Practice Grant		
expenditure		473
income	Cr	473
Memorandum Items:		
Capital Charges		-1,070
Insurance		-14
Repairs & Maintenance		69
Rent income		-12
Excluded Recharges		57
Latest Approved Budget for 2023/24		69,734

REASONS FOR VARIATIONS

1. Adult Education Centres - Dr £40k

This area has overspent by £40k and this is due to an shortfall of fees income of £191k. This is being offset by an underspend on staffing of £22k and £129k on running costs.

2. Schools and Early Years Commissioning & QA - Cr £269k

The in-house nursery is currently expected to overspend by £7k, and this is down to an under collection of income of £98k being offset by an underspend on staffing of £77k and running costs of £14k.

Across the rest of the service there is a £276k underspend relating to staffing (£155k) running costs (£55k) and additional income of (£66k).

3. SEN and Inclusion - Cr £397k

The staffing in this area is currently forecasting an underspend by £142k - this is due to a number of posts that are currently or have been vacant during the year. There is also an underspend of £344k on running costs that is then offset by a shortfall in income of £150k.

The Education Psychologists currently have a number of vacant posts in their team. This is causing the statutory service they are required to provide to be underspent by £300k and the Trading Service they offer to the Schools to be overspent by £239k. This is a net underspend of £61k.

4. Strategic Place Planning Cr £95k

This area has underspent by £95k and this is due to underspends on staffing of £64k and £31k on running costs.

5. Workforce Development and Governors Services - Dr £30k

This area has overspent by £30k and this is due to a shortfall of fees income of £22k, along with overspends on both staffing (£2k) and running costs (£6k).

6. Access & Inclusions - Dr £1,328k

The overspend in this area is due to the costs of SEN Transport that has overspent by £1,394k due to the increasing number of children qualifying for this service, and the under collection of income of £125k. This is then offset by underspends on staffing of £56k and other running costs of £135k.

7. Other Strategic Functions - Cr £63k

This area has underspent by £63k. This is due to underspends on staffing (£39k) and running costs of (£110k). This is then being offset by an under collection of income of £86k.

8. Central School Costs Dr £95k

This area has overspent by £95k due to an under collection of income (£51k) and overspends on running costs (£44k).

Children's Social Care - Dr £6,238k

The current budget variation for the Children's Social Care Division is projected to be an overspend of £6,238k, this is an decrease of £303k from the quarter three position. Additional funding has been identified of £1,370k during the year due to above inflationary increases in prices across the board in CSC. This has been applied but pressures/demands still remain.

9. Bromley Youth Support Programme - Cr £153k

The BYSP has underspent by £153k this year. The service is currently looking at transformational savings that have not yet been realised and this is the main cause behind the overspend on running costs of £125k. This is being offset by an underspend on staffing costs of £131k and an over collection on income of £147k.

10. Early Intervention and Family Support - Dr £73k

The service has overspent on staffing by £441k, that is then being offset but underspends on running costs of £42k and additional income of £326k.

11. CLA and Care Leavers - Dr £251k

The budget for placements in this area have overspent by £357k this year. This amount is analysed by placement type below.

- Staying Put - Dr £52k (Dr 435k)

- Direct Accommodation - Dr £821k (£Dr 1,118k)

- Placement Support Leaving Care - Cr £516k (Cr £661k)

This leave an underspend of £106k across the rest of the area, and this is made up of a £226k overspend on staffing and £523k on running costs that is then being offset by additional income of £855k.

12. Fostering, Adoption and Resources - Dr £1,387k

The budget for children's placements is currently projected to overspend by £808k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £2,672k (Dr £3,169k)
- Boarding Schools - Cr £208k (Cr £184k)
- Secure Placement - Cr £209k (Cr £250k)
- Remand Placement - Cr £506 (Cr £0k)
- Fostering services (IFA's) - Dr £213k (Dr £105k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £548k (Cr £833k)
- Adoption placements - Cr £197k (Cr £200k)
- Outreach Services - Cr £89k (Dr £109k)
- Transport Costs - Dr £23k (Cr £154k)
- Dom Care - Cr £343k (Cr £63k)

Additionally there is an extra £155k worth of grant income - most of which relates to the cost of the placements. This is then being offset by overspends in staffing of £689k and running cost of £45k.

13. 0-25 Children Service - Dr £1,704k

The main area of overspend was the use of Direct Payments (£296k) and Dom Care (£709k) to support our clients. There is also a overspend in staffing of £136k and running costs of £94k and an under collection of income of £469k.

14. Referral and Assessment Service Dr £886k

The main variances in this area relate to an overspend on staffing of £809k, with additional pressure on running costs of £135k. This was then offset by a £58k underspend related to No Recourse to Public Funds (NRPF) clients.

15. Safeguarding and Care Planning East Dr £1,052k

The budget is overspent by £1,052k, and is due to staffing overspends of £544k and £57k on running costs. Additionally there is an overspend of £451k related to various costs related to supporting our clients.

16. Safeguarding and Care Planning West Dr £962k

The variances in this area relates to an overspend on staffing of £942k and £20k on running costs.

17. Safeguarding and Quality Improvement Dr £76k

The overspend of £76k in this area mainly relates to a shortfall in fees income of £187k that were then offset by underspends on staffing of £44k, (and this includes the costs of recruiting and retaining social workers across the whole of Children's Social Care), and £67k relating to general running costs.

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 overspent by £3,516k in 2023/24. This will be added to the £12,706k carried forward in the reserves from 2022/23. This gives a DSG deficit reserve at the end of 2023/24 of £16,222k at the end of the financial year.

18. Schools and Early Years Commissioning & QA Cr £1,441k

There was an underspend on the costs of child care payments for 2, 3 and 4 year olds of £1,136k at the end of the year. This includes the costs related to the Early Years Supplementary Grant.

Additionally there are underspends of £46k on staffing, £255k on running costs and £4k additional income collected.

19. SEN and Inclusion Dr £3,539k

SEN placements has overspent by a total of £3,983k. The overspend is being caused by the Maintained Day (£1,194k), Independent Day (£815k), Alternative Programmes (£1,685k), Maintained Boarding School (£205k), Direct Payment (£252k), and Matrix funding (£1,140k). This is then slightly offset by an underspend on Independent Boarding Schools (£418k) and other various underspends (£890k).

In addition to the placement costs, there are underspends on staffing across a number of units of £17k, on running costs of £425k, and £2k extra income collected.

20. Access & Inclusion Cr £406k

The £406k underspend in this area is due to an overspend of £186k on running costs and an under collection of income of £21k. These are being offset by staffing underspends of £613k.

21. Strategic Place Planning Cr £16k

This area has underspent by £16k on running costs due the year.

22. Other Strategic Functions Cr £129k

The year end position for this area is an underspend of £129k. This is made up of an underspend on running costs of £221k that is then offset by an overspend of £92k on staffing.

23. Schools Budgets Dr £3,792k

This area has overspent by £3,792k mainly due to the amount charged to the DSG Reserve now being shown separating. This has caused a running cost overspend of £4,123k that is being offset by additional income of £331k during the year.

24. Special Schools and Alternative Provision Cr £963k

This area has an underspend variance due to additional grant income (£402k) and an underspend on running costs (£561k) that is mainly down to lower number of payments to academies for top up funding than budgeted.

25. Primary Schools Cr £1,389k

The cost pressure in this area relates to the deficit in one of schools when it converted to academy and joined a trust (£38k). This area has an underspend variance due to payments to schools (including academies) being less than that budgeted for (£3,035k) and this was offset by lower than expect grant income by £1,608k. The lower than expect grant income is a contributory factor to the lower than expected payments.

26. Secondary Schools Dr 529k

This area has an underspend variance due to additional grant income (£365k) that is then offset by an overspend on running costs (£894k) that will include the additional grant we have received.

27. Charge to Reserves Cr £3,516k

This is the amount that has been transferred to the DSG Reserve at year end. This offsets some of the overspend in the Schools Budget area.

Section 25 of the Local Government Act 2003 requires the Section 151 Officer to report on the robustness of the budget calculations and adequacy of reserves. The 151 Officer within that commentary is now required to consider the Councils DSG deficit position, despite the statutory override being in place.

The statutory override effectively means that any DSG deficits are not included in the Councils main revenue budgets. However funding will ultimately need to be identified

In effect the Council has to still set aside resources to meet the DSG deficit and where no ongoing funding is identified such funding will need to come from the Councils reserves. On that basis the budget monitoring report identifies a deficit of £3,516k which has to ultimately be funded from the Councils reserve.

Although DSG is effectively ring fenced the ongoing increase through funding by reserves (general and earmarked) creates a financially unsustainable position in the medium to longer term

The External Auditor as part of the annual accounts, are required to comment on the Councils Value for money arrangements and will be required to consider any DSG deficit and the impact on the Councils finances

In terms of presentation of the DSG deficit of £12,706k up to 31/3/2023 and the estimated in year sum of £3,516k in 2023/24, there will need to be adequate funding from the Councils reserves unless alternative savings can be found. The use of reserves have been assumed in this report, although the specific reserves to use have not been identified at this stage.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning and (where over £100,000) approval of the Portfolio Holder and report use of this exemption to Audit Sub-Committee bi-annually. Since the last report to the Executive, there has been in Children's Social Care 10 waivers agreed for placements of between £50 and £100k, 1 between £100k and £150k, 1 between £150k and £200k, and 18 for a value of over £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 processed.

Environment & Community Portfolio Budget Monitoring Summary

2022/23 Actuals £'000	Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT & COMMUNITY PORTFOLIO							
	Street Scene & Green Spaces							
1,151	Arboriculture Management	814	822	987	165	1	100	0
92	Business Support and Markets	26	42	134	92	2	134	0
1,189	Senior Management	1,331	1,331	1,300	Cr 31	3	0	0
211	Performance Management and Business Support	224	224	218	Cr 6	4	0	0
6,439	Parks and Green Spaces	6,854	7,108	7,016	Cr 92	5	0	0
79	Carbon Management	155	156	105	Cr 51	6	0	0
18,503	Waste Services	20,722	20,722	20,589	Cr 133	7	Cr 897	0
6,491	Neighbourhood	6,961	7,087	7,049	Cr 38	8	0	0
34,155		37,087	37,491	37,398	Cr 94		Cr 663	0
	Transport Operations and Depot							
552	Transport Operations and Depot Management	632	692	546	Cr 145	9	Cr 57	0
552		632	692	546	Cr 145		Cr 57	0
	Traffic, Parking and Highways							
-140	Traffic & Road Safety	161	161	0	Cr 161	10	Cr 122	0
Cr 8,209	Parking	Cr 9,186	Cr 9,177	Cr 9,024	153	11	708	0
8,979	Highways (including London Permit Scheme)	9,339	10,171	10,428	257	12	686	0
630		314	1,155	1,404	249		1,272	0
35,337	TOTAL CONTROLLABLE	38,033	39,338	39,348	10		552	0
1,673	TOTAL NON-CONTROLLABLE	6,743	2,675	2,675	0		0	0
2,284	TOTAL EXCLUDED RECHARGES	2,343	2,167	2,167	0		0	0
39,294	PORTFOLIO TOTAL	47,119	44,180	44,190	10		552	0

Reconciliation of Latest Approved Budget
Original Budget 2023/24 £'000 47,119 9

Carry Forward Requests approved from 2022/23
Highways Income for Road Maintenance 245

Central Contingency Adjustments
Inflationary Uplifts 219
Electricity Inflation Uplift 841

Other Budget Movements
Hill Car Park Repair - Infrastructure Investment Fund 250
Hill Car Park Repair - Infrastructure Investment Fund Cr 250

Memorandum Items:
Capital Charges -5,192
Insurance 110
Repairs & Maintenance 868
Rent income 146
Excluded Recharges -176

Latest Approved Budget for 2023/24 44,180

REASONS FOR VARIATIONS

1. Arboriculture Dr £165k

Works to trees are identified through a triennial inspection programme or through reactive inspections where required, and these works are raised in accordance with the policies set out in the adopted Tree Management Strategy. The Strategy is designed to ensure that the Council's statutory responsibilities are discharged and to manage health and safety related risks when maintaining the borough's trees. Overspend is therefore a risk depending on a range of factors affecting the health of the Council's maintained tree stock and in 2023/24 there continued to be issues with disease. Additionally, in 2023/24 there were several storms, including Storms Henk and Isha, which resulted in a high number of emergency call outs and the need to bring in an additional contractor to support storm clear up works, with the storm works costing approximately £90k.

2. Business Support & Markets Dr £92k

The service is reporting an underachievement of income across Advertising, Street Trading and Markets of £131k, which is partly offset by underspends on staffing and ICT Software. There is also an overspend on the security of premises.

Street Trading income remains affected by the continuation, under the Business and Planning Act 2020 (Pavement Licences) (Coronavirus) (Amendment) Regulations 2021, of pavement licences. This was a temporary measure, originally introduced during the Covid pandemic but now extended into 2023 and being made permanent. In 2024-2025 there is a provision of £80k to cover the shortfall of the licensing income in street trading and markets.

The Market Income is underachieving due to a tough retail environment and depressed footfall in the Town Centre, which has led to a higher number of booking cancellations from market traders than normal.

3. Senior Management Cr £31k

The Senior Management service is reporting an underspend of £31k. This is related to employee costs due to vacancies for part of the year while recruitment activity was undertaken.

4. Performance Management and Business Support Cr £6k

The Performance Management and Business Support service is reporting an underspend of £6k which is related to supplies and services costs (stationery and mobile phone costs).

5. Parks and Green Spaces Cr £92k

The Parks and Green Spaces service is reporting an underspend of £92k. The majority of the underspend is a consequence of the transfer of Crystal Palace Park to the Crystal Palace Park Trust in September 2024; this funding is now committed to support the costs of delivering the Regeneration Plan (see report **HPR2022/022**).

6. Carbon Management Cr £51k

The Carbon Management service is reporting an underspend of £51k. This is due to vacancies for part of the year while recruitment activity was undertaken. There is also an underspend on IT related budgets.

7. Waste Services Cr £133k

The service is reporting a £133k underspend, this is a significant reduction from the reported underspend in Q3. This is mainly due to underachievement of income across the service totalling just under £600k (trade and commercial waste and green garden waste) There was also an overspend on backdated container charges for £130k. There is a growing concern regarding the number of customers who access fee-based waste services as there appears to be a downward trend, prices have been increased for 2024-25 which may affect demand even more greatly.

8. Neighbourhood Cr £38k

The service is reporting an underspend of £38k. This is due to an overachievement of income generated by fixed penalty notices (FPNs) and underspends on the Transport related expenditure budgets (transport costs for staff).

9. Transport Operations and Depot Management Cr £145k

The service is reporting a £148k underspend on staffing costs, where we have officers who have moved to part time, freeing up some budget. The premises related expenditure budgets, such as cleaning or security of premises also report a favourable variation to the budget.

10. Traffic & Road Safety Cr £161k

There has been an over achievement from temporary traffic orders due to road closures. There has been an overachievement of the budget from the advertising income.

The service will submit a request for a carry forward of £31k into FY24-25. This is for outstanding work to remove redundant signs that could not be started in 2023-2024.

11. Parking, Dr £153k

Summary of variations within Parking	£'000
Off Street (incl. Multi Storey Car Parks)	370
On Street	-233
Parking fees total:	137
Moving Traffic Contraventions (MTCs)	255
CCTV- Schools/ Bus Stops	-82
CEO Enforcement (PCN's)	-440
Bus Lanes	534
Parking Shared Services	-203
Enforcement total:	64
Other variations, including permits	-48
Total variations	153

11a. Car Parks (off street and multistorey car parks) Dr £370k

For a number of years, there has been an ongoing decrease in car park usage. Officers will continue to monitor and analyse the data trends to ensure the correct tariffs are in place to help with demand per location.

As well as the above, the Hill Multistorey car park was closed due to health and safety concerns for 2 months (October to December 2023) and West Wickham Station Road car park permanently closed at the start of this financial year.

Despite managing to maintain income levels this year, the longer term trend means that income is unlikely to return to budgeted levels and future budget setting should take account of this.

11b. On Street Car Parks Cr £233k

On street parking income has overachieved the budget with the demand for on street parking sessions remaining steady. Officers will continue to monitor and analyse the data trends to ensure the correct tariffs are in place to help with demand per location.

Due to the continued strong performance here, we will look to re-align this budget in the future to allow the additional income to mitigate pressures in other parts of the parking service.

11c. Moving Traffic Contraventions (MTCs), Dr £255k

The trend of two years of enforcement has shown that driver compliance with moving traffic regulations has improved since the cameras first went live in October 2021, therefore fewer PCNs are being issued, with an average of 2,188 p/m in 2023-2024.

Although income levels could be maintained in the future as the Council reviews other locations where there are congestions or safety concerns, it is unlikely to ever achieve the budgeted target due to continued compliance by road users. Therefore future budget setting should take account of this.

11d. CCTV - Schools/ Bus Stops, Cr 82k

Compliance around schools has continued to improve with fewer PCNs being issued. A similar decrease has been recorded at one bus stop that is currently enforced.

Where compliance has been achieved, Officers will consider new locations for cameras.

11e. CEO Enforcement (PCN's), Cr £440k

From May 2023 some additional CEOs have been deployed around the Borough to help to achieve an improved compliance in the Borough. CEOs have been employed on different working patterns to help achieve this. Officers have assessed that at present any new CEOs will result in additional costs without the benefit of any more PCNs being issued, but this is regularly reviewed.

11f. Bus Lanes Dr £534k

As has been reported previously, compliance by drivers in bus lanes continues to improve. This is an area where the budgets have to be reviewed.

11g. Shared Services Cr £203k

There is an underspend on the Shared Service budget due to vacant posts, however the budget needs to be flexible to allow for changes in workflow demands to allow the service to cover busy periods and meet statutory deadlines. An increasing backlog in appeals will result in the team recruiting more staff in the new financial year. An increased number of staff will achieve a better customer services by appeals being processed quicker, resulting in PCNs being settled quicker.

12. Highways, including London Permit Scheme Dr £257k

There is an overspend of £257k in Highway Services, as the number of highway defects (carriageway and footway) has nearly doubled in the first 6 months of the year and these projects have statutory requirements. A second contractor had to be employed to clear the existing backlog from the main supplier, J B Riney.

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 Subcommittee bi-annually. Since the last report to the Executive, no waivers over £50k have been actioned.

Virements Approved to date under Director's Delegated Powers

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

Public Protection & Enforcement Budget Monitoring Summary

2022/23 Actuals £'000	Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	Public Protection							
483	Community Safety	540	585	596	11	1	0	0
152	Emergency Planning	157	157	157	0		0	0
823	Mortuary & Coroners Service	939	939	939	0		0	0
1,251	Public Protection	1,592	1,676	1,512	Cr 164	2	0	0
2,709	TOTAL CONTROLLABLE	3,228	3,357	3,204	Cr 153		0	0
3	TOTAL NON CONTROLLABLE	12	2	2	0		0	0
950	TOTAL EXCLUDED RECHARGES	816	924	924	0		0	0
3,662	PORTFOLIO TOTAL	4,056	4,283	4,130	Cr 153		0	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2023/24

4,056

Out of Hours Noise Service in Community Safety 50

Carry Forward Requests approved from 2022/23

POCA confiscation orders from the courts 61

POCA confiscation orders from the courts Cr 61

HMO income 78

Other

Environmental Protection-DEFRA grant

- expenditure 12

- income Cr 12

Licensing-Home Office grant

- expenditure 10

- income Cr 10

Food Standards- DEFRA Grant

- expenditure 4

- income Cr 4

Memorandum Items:

Insurance Cr 9

Excluded Recharges 108

Latest Approved Budget for 2023/24

4,283

REASONS FOR VARIATIONS

1. Community safety Dr £12k

The overspend in Community Safety is due to the need to use more expensive agency staff to cover vacant posts. Two posts have now been filled and a third is advertised to mitigate the risk of an overspend in 2024/25

2. Public Protection Cr £164k

The underspend in Public Protection is due to the overachievement of income from Houses with Multiple Occupancy licenses.

The service will submit a number of carry forward requests for the POCA confiscation orders funding from the court, as well implementation funding for various new burdens. The total value of the carry forward requests is £87k.

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 Subcommittee bi-annually. Since the last report to the Executive, no waivers over £50k have been actioned.

Virements Approved to date under Director's Delegated Powers

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

Renewal, Recreation & Housing Budget Monitoring Summary

2022/23 Actuals £'000	Division Service Areas	2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PLACE DEPARTMENT							
	Planning							
27	Building Control	70	70	377	307	1	243	0
Cr 63	Land Charges	Cr 117	Cr 117	20	137	2	70	0
1,823	Planning	986	1,106	1,523	417	3	226	0
	Building Control and Land Charges transfer of in-year deficit to reserves	0	0	Cr 444	Cr 444			
1,787		939	1,059	1,476	417		539	0
	Culture & Regeneration							
1,384	Culture	1,120	1,120	1,042	Cr 78	4	Cr 88	0
5,570	Libraries	5,174	5,612	5,577	Cr 35	5	0	0
87	Town Centre Management	44	44	47	3		0	0
7,041		6,338	6,776	6,666	Cr 110		Cr 88	0
	Operational Housing							
1,276	Housing Strategy, Advice and Enabling	1,522	1,412	1,374	Cr 38	6	0	0
Cr 1,502	Housing Benefits	Cr 1,586	Cr 1,586	Cr 1,627	Cr 41	7	0	0
Cr 54	Housing Improvement	Cr 20	Cr 20	Cr 53	Cr 33	8	Cr 25	0
7,046	Allocations and Accommodation	5,356	5,401	10,369	4,968	9	3,295	8,743
921	Supporting People	1,134	1,134	961	Cr 173	10	Cr 148	Cr 148
1,095	Housing Options and Support	1,671	1,862	1,642	Cr 220	11	Cr 175	0
0	Housing Schemes	257	257	1,090	833	12	323	0
8,782		8,334	8,460	13,756	5,296		3,270	8,595
17,610	Total Controllable	15,611	16,295	21,898	5,603		3,721	8,595
Cr 412	TOTAL NON CONTROLLABLE	Cr 541	Cr 487	Cr 487	0		0	0
5,691	TOTAL EXCLUDED RECHARGES	5,583	5,600	5,600	0		0	0
22,889	TOTAL RR & H PORTFOLIO TOTAL	20,653	21,408	27,011	5,603		3,721	8,595

Reconciliation of Latest Approved Budget

£'000

Original budget 2023/24

20,653

Carry Forward Requests approved from 2022/23

Homelessness Reduction Grant		89
Homelessness Reduction Grant	Cr	89
Accommodation for ex-Offenders Expenditure		64
Accommodation for ex-Offenders Grant	Cr	64
Rough Sleepers Initiative Grant expenditure		43
Rough Sleepers Initiative Grant income	Cr	43
Homes for Ukraine Grant		2,644
Homes for Ukraine Grant	Cr	2,644
Defra Biodiversity Net Gain Grant		13
Defra Biodiversity Net Gain Grant	Cr	13
New Homes Bonus Funded LEP Programme		73
New Homes Bonus Funded LEP Programme	Cr	73
Local Plan Implementation		120

Central Contingency Adjustments

2023-24 Accommodation for Ex-Offenders expenditure		74
2023-24 Accommodation for Ex-Offenders income	Cr	74
2023-24 Rough Sleepers Initiative Grant expenditure		214
2023-24 Rough Sleepers Initiative Grant income	Cr	214
HFU Thank you payments expenditure		804
HFU Thank you payments income	Cr	804
2023-24 Rough Sleepers Initiative Grant expenditure confirmed total allocation		214
2023-24 Rough Sleepers Initiative Grant income confirmed total allocation	Cr	214

Homelessness Prevention Grant - 2023-24 additional allocation		361
Homelessness Prevention Grant - 2023-24 additional allocation	Cr	361
HPG– 2023/2024 Homes For Ukraine Funding Top-Up		1,117
HPG– 2023/2024 Homes For Ukraine Funding Top-Up	Cr	1,117
2023-24 Household Support Fund expenditure		3,736
2023-24 Household Support Fund income	Cr	3,736
Inflation - Libraries contract		191
Provision for Increase in Fuel Costs		330
Housing Revenue Account Policies and Allocation Policy		43

Other Budget Movements

Memorandum Items:

Capital Charges		37
Insurance	Cr	17
Repairs & Maintenance		49
Rent income	Cr	15
Excluded Recharges		17

Latest Approved Budget for 2023/24

21,408

REASONS FOR VARIATIONS

With higher interest rates and the cost of living affecting the economy, there is pressure on income budgets across the Property and Planning Divisions.

1. Building Control Dr £307k

Building Control fees were increased in 2022/23 in order to realign the budgeted income target with a more realistic outcome, but in 2023/24 an agreed saving increased the income budget target by £79k overall. Based on the activity in the past months and as anticipated throughout the year, income has fallen short of the budgeted amount by £307k.

2. Land Charges Dr £137k

Similar to Building Control, we anticipated a variation overspend and the final figure was £137k. Historically this has been the case over the past a few years and the activity has not improved in the final quarter.

3. Planning Dr £417k

Planning Pre-Apps & Planning 'Significant' Major Apps We are reporting a final shortfall of income of £417k compared to the £226k declared in Q3. It should be noted that the Government's planning application fees draft regulations consultation may increase future fee levels by 30%, however, any increase in fees is not currently expected to come into force until after April 2024.

<https://www.legislation.gov.uk/ukdsi/2023/9780348250404>

4. Culture Cr £78k

Culture reported a underspend of £78k, however there is a carry forward request of £72.5k for the Penge Wayfinding project, if approved this will reduce the underspend to £6k.

5. Libraries Cr £35k

There is a £35k underspend in Libraries because of utilities costs coming in lower than anticipated. This positive outcome was driven by favourable rates, particularly during the latter part of the year.

6. Housing Strategy, Advice and Enabling Cr £38k

There was a £38k underspend on running costs within this service area.

7. Housing Benefits Cr £41k

There was a £41k underspend within this service area.

8. Housing Improvement Cr £33k

There was a £33k underspend on salary costs within the Housing Improvement service.

9. Allocations and Accommodation Dr £4,968k

There was an overspend of £4,806k in all Temporary Accommodation in 2023-24. At the end of the financial year, there were 1,348 households in nightly paid Temporary accommodation. This figure was 1,224 in Q3, 1,161 in Q2 and 1,125 in Q1. The average annual cost was £11,155 per household per annum at the end of the financial year (this compares to a figure of £9,761 for Q3, £8,857 for Q2 and £8,268 for Q1). In the last two months of this financial year, the average cost of new temporary accommodation placements had increased to £15,216 per annum.

These figures exclude other schemes like More Homes Bromley, Pinnacle (formerly Orchard & Shipman), ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these have been included there are currently over 1,558 households in Temporary Accommodation.

Transformation Programme savings were achieved during the year to provide a longer term alternative to expensive nightly paid accommodation. Other earlier schemes in the programme have been completed and are contributing to the housing options available.

	£'000
Summary of overall variations within Allocations and Accommodation:	
Temporary Accommodation	4,806
Additional costs of utilities, building and other works	221
PSL Incentive Payments and Furniture Storage and other misc. underspends	Cr 59
Total variation for Allocations and Accommodation	<u>4,968</u>

10. Supporting People Cr £173k

There was a £173k underspend in the Supporting People service area mainly as a result of procurement exercises during 2021/22 and 2022/23 containing costs within inflation that had accumulated in the budget. The full retendering exercise has been completed and the current underspend will remain in this budget to cover potential future pressures.

11. Housing Options and Support Cr £220k

There was an underspend on the Homelessness Prevention service of £157k as currently options are not available for this preventative support to households. There were also total underspends of £63k across Housing Options and Support on running costs and salaries where some posts remain difficult to fill.

12. Housing Schemes Dr £833k

More Homes Bromley Shortfall Payments £491k

Under the More Homes Bromley scheme, LBB is liable for the shortfall in rent as result of the reduced number of acquisitions compared to the original financial model. For 2023-24 the total net rental income shortfall paid was £491k. Previously this shortfall has been met by the rent guarantee contingent liability, but this has been fully utilised and is no longer available.

Beehive and LBB Owned Affordable Housing £275k

There are overspends the Beehive and LBB owned schemes on additional Service Charges, Council Tax on vacant properties, property repairs and rental income.

Meadowship Homes 2 Nomination Penalty Payments £67k

In line with the nominations agreement, the managing agent applied penalty fees where LBB has failed to nominate clients within the agreed timescales. This is the first time such charges have been applied and total for 2023/24 was £67k.

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 Subcommittee bi-annually. Since the last report to the Executive, no waivers have been actioned.

Virements Approved to date under Director's Delegated Powers

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

Resources, Commissioning & Contracts Management Portfolio Budget Monitoring Summary

2022/23 Actuals £'000		2023/24 Original Budget £'000	2023/24 Latest Approved £'000	2023/24 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
265	Director of Finance & Other	267	267	254	Cr 13	1	0	0
5,953	Exchequer - Revenue & Benefits	6,831	6,792	6,735	Cr 57	2	0	0
2,249	Exchequer - Payments & Income	2,295	2,436	2,204	Cr 232	3	0	0
582	Financial Accounting	1,233	1,233	1,163	Cr 70	4	0	0
1,730	Management Accounting	1,991	1,997	1,882	Cr 115	5	0	0
848	Audit	1,073	1,073	989	Cr 84	6	0	0
11,627	Total Financial Services Division	13,690	13,798	13,227	Cr 571		0	0
	CORPORATE SERVICES DIVISION							
6,911	Information Systems & Telephony	7,238	7,238	7,254	16	7	70	0
	Legal Services & Democracy							
1,221	Electoral	512	512	502	Cr 10		0	0
1,473	Democratic Services	1,607	1,607	1,548	Cr 59	8	Cr 53	0
179	Mayoral	184	184	193	9		0	0
2,986	Legal Services	2,525	2,835	3,205	370	9	272	0
529	Procurement and Data Management	585	585	531	Cr 54	10	Cr 50	0
219	Management and Other (Corporate Services)	235	235	238	3		0	0
13,518	Total Corporate Services Division	12,886	13,196	13,471	275		239	0
	HR AND CUSTOMER SERVICES DIVISION							
2,429	Human Resources	2,499	2,537	2,661	124	11	272	0
	Customer Services							
1,185	Contact Centre	1,249	1,304	1,334	30	12	0	0
Cr 99	Registration of Births, Deaths & Marriages	Cr 131	Cr 131	Cr 129	2	13	Cr 44	0
306	CE - Consultation & Communication	326	326	406	80	14	0	0
3,821	Total HR & Customer Services Division	3,943	4,036	4,272	236		228	0
	CHIEF EXECUTIVE'S DIVISION							
826	Management and Other (C. Exec)	1,162	1,162	1,159	Cr 3		0	0
826	Total Chief Executive's Division	1,162	1,162	1,159	Cr 3		0	0
	CENTRAL ITEMS							
808	CDC & Non Distributed Costs (Past Deficit etc.)	1,361	1,361	1,159	Cr 202		0	0
5,964	Concessionary Fares	7,320	6,982	6,974	Cr 8		0	0
36,564	TOTAL CONTROLLABLE CE DEPT	40,362	40,535	40,262	Cr 273		467	0
14	TOTAL NON CONTROLLABLE	449	12	12	0		0	0
Cr 22,246	TOTAL EXCLUDED RECHARGES	Cr 17,569	Cr 17,604	Cr 17,604	0		0	0
14,332	TOTAL CE DEPARTMENT	23,242	22,943	22,670	Cr 273		467	0
	CHILDREN, EDUCATION AND FAMILIES DEPARTMENT							
	Strategy and Corporate Projects							
133	Commissioning	237	237	156	Cr 81	15	Cr 125	0
1,781	Strategy, Performance and Engagement	1,884	1,884	1,713	Cr 171		Cr 28	0
1,914	TOTAL CONTROLLABLE CEF DEPT	2,121	2,121	1,869	Cr 252		Cr 153	0
3	TOTAL NON CONTROLLABLE	1	2	2	0		0	0
Cr 2,152	TOTAL EXCLUDED RECHARGES	Cr 2,178	Cr 2,056	Cr 2,056	0		0	0
Cr 235	TOTAL CEF DEPARTMENT	Cr 56	67	Cr 185	Cr 252		Cr 153	0
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
2,134	Admin Buildings & Facilities Support	1,727	1,885	2,395	510	16	0	0
1,147	Investment & Non-Operational Property	823	823	1,543	720	17	0	0
Cr 270	Strategic & Operational Property Services	1,020	1,170	Cr 395	Cr 1,565	17	0	0
2,191	TFM Client Monitoring Team	1,957	1,957	2,750	793	17	0	0
Cr 1,528	Other Rental Income - Other Portfolios	Cr 1,683	Cr 1,683	Cr 1,569	114	18	0	0
2,626	Repairs & Maintenance (All LBB)	2,513	2,513	2,513	0		0	0
6,300	TOTAL CONTROLLABLE ECS DEPT	6,357	6,665	7,237	572		0	0
64	TOTAL NON CONTROLLABLE	7,919	Cr 916	Cr 916	0		0	0
Cr 872	TOTAL EXCLUDED RECHARGES	Cr 4,308	Cr 4,332	Cr 4,332	0		0	0
Cr 1,696	Less: R&M allocated across other Portfolios	Cr 1,726	Cr 1,726	Cr 1,726	0		0	0

1,528	Less: Rent allocated across other Portfolios	1,683	1,569	1,569	0	0	0
5,324	TOTAL ECS DEPARTMENT	9,925	1,260	1,832	572	0	0
19,421	TOTAL RCCM PORTFOLIO	33,111	24,270	24,317	47	314	0

Cr 8,841

Reconciliation of Latest Approved Budget**£'000****Original budget 2023/24****33,111****Carry Forward Requests approved from 2022/23**

Electoral Services - New Burdens Grant

- Expenditure	15
- Income	Cr 15

Local Digital Cyber Fund

- Expenditure	50
- Income	Cr 50

BEIS - EBSS AF and AFP

- Expenditure	847
- Income	Cr 847

Legal Services - ULEZ

140

140**Central Contingency Adjustments**

Legal support - children and adults social care	170
Provision for Increase in Fuel Costs	158
Inflation - Concessionary Fares	-338
Inflation - Liberata contract - Exchequer Services	102
Inflation - Liberata contract - Contact Centre	55
Inflation - Liberata contract - School Finance	6
Star Lane works	150

Other Budget Movements

Wake Up to Care Funds Budget Transfer from Adults	38
IT Drawdown from reserves	336
IT Drawdown from reserves	Cr 336
Legal Drawdown from Reserves	65
Legal Drawdown from Reserves	Cr 65
R&M Building Infrastructure Fund 22/23 Drawdown from Reserve	852
R&M Building Infrastructure Fund 22/23 Drawdown from Reserve	Cr 852
Funding from Loneliness Reserves (Strategy)	47
Funding from Loneliness Reserves (Strategy)	Cr 47

24,317

Cr 21,101

1,306

4,522

Cr 4,522

0

Memorandum Items:

Capital	Cr 8,284
Insurance	9
Repairs & Maintenance	Cr 996
Rental Income	Cr 114
Excluded Recharges	63

Latest Approved Budget for 2023/24**24,270**

REASONS FOR VARIATIONS

1. Director of Finance & Other Cr £13k

The service is reporting an underspend of £13k due to the service underspending on its membership and subscription budget.

2. Exchequer - Revenue & Benefits Cr £57k

There has been an underspend on customer and clients receipts, which offsets a pressure on supplies and services.

3. Exchequer - Payments & Income Cr 232k

The underspend of £232k predominately relates to underspend on contract payments.

4. Financial Accounting Cr £70k

There has been underspending on salaries and on supplies and services during 2023/24.

5. Management Accounting Cr £115k

The significant underspend of £115k in this area primarily stems from ongoing staff vacancies within the service throughout the year.

6. Audit Cr £84k

The underspend of £84k in this area was due to the service carrying vacancies.

7. Information Systems & Telephony Dr £16k

The overspend of £16k in IT is largely due to the costs of the digital strategy project and Microsoft licences partially offset by underspends on the Azure project. The reduction in the overspend compared to Q3 is partly due to Microsoft licence fees lower at the year-end than expected in Q3.

8. Democratic Services Cr £59k

The service recorded an underspend of £33k on its Members Allowances budget, alongside a £12k underspend on the Supplies and Services budget. Furthermore, there was a £14k underspend on its salary budget.

9. Legal Services Dr £370k

Due to the increased instructions to legal services on contracts, contract disputes, housing, regeneration, education capital projects and commercial property-related matters arising, the Legal team has had to engage locum lawyers to meet the increased demand, thereby putting pressure on the staffing budget.

Legal projected a £272k overspend on their legal budget in Q3, however there has been a further pressure of £98k on the legal budget resulting in a outturn position of £370k overspend against their budget.

The additional overspend was due to even more pressure on the Court Fees budget due to HMCT introducing additional fees, resulting in a overspend of £145k in the Court Fees budget, this was an increase of £35k from £110k reported in Q3.

The financial year 2023- 2024 also saw an exponential increase in the number of court hearings which took place. By way of comparison there were in year 22-23, 260 hearings outsourced in addition to hearings done in house. In 23-24 there were 485 hearings outsourced with an additional circa 122 hearings undertaken in house. The tail end of the last year also saw the significant increases in LBLA fees.

Lastly, there was a further pressure on the salaries budget of £56k from that reported in Q3 due to the reasons above.

10. Procurement and Data Management Cr £54k

The underspend of £54k in this area is due to the service carrying a vacant post.

11. Human Resources Dr £124k

The HR Department is reporting an outturn position of £124k which is an improvement of £148k from the Q3 reported position. The decrease was due to two agency staff that were engaged in the Oracle project which were incorrectly charged to revenue, moving their cost to capital is the reason for the outturn position improvement.

12. Contact Centre Dr £30k

There is a net overspend of £30k primarily due to budget pressure from recharge to capitalise of £56k not being received this financial year, this pressure of £56k was mitigated by underspends in supplies and services.

13. Registration of Births, Deaths & Marriages Dr £2k

The service is reporting a small overspend of £2k on its outturn position which is an adverse movement £46k from that reported in Q3, this is due to income slightly falling in March and deferred income being higher than that forecasted.

14. CE – Consultation & Communication Dr £80k

The overspend in this area is attributable to the cost of the Our Bromley Magazine not being recovered fully with advertising costs and therefore resulting in a overspend of £52k, although it should be noted that there is a net saving to the Council given the savings from Environment Matters are not included in this calculation. Additionally the service incurred licence fees, which are legally required, with the costs exceeding the budget by c£30k.

15. Strategy, Performance and Engagement Cr £252k

The underspend of £252k in this area is due to an underspend on staffing of £57k, running costs of £130k and additional income of £65k.

16. Admin Buildings & Facilities Support Dr £510k

There are overspends on Security (£310k) and Cleaning Services (£277k). This is partly offset by underspends against supplies and services. Budget realignment is required across Property Services in 24/25 to reflect current service delivery.

17. Total Property Services Cr52

The following areas have a combined variance of £52k underspend, however individually they show the following positions at year end, Investment & Non-Operational Property Dr £720k, Strategic & Operational Property Services Cr £1,565k, TFM Client Monitoring Team Dr £793k. This is because the property services division needs a complete budget re-alignment to accurately reflect the spend incurred. This is a hangover from when the service was outsourced as has not been rectified since the service came back in house in 2022-23, this will be corrected in the current financial year.

18. Other Rental Income - Other Portfolios Dr £190k

The other rental income position is overspent by £190k this financial year, this is predominantly down to the crystal palace park and park café income not achieving their budgeted targets due to the park undergoing redevelopments work and the transfer of the park to the trust from September 2023.

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

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

Allocation of Contingency Provision for 2023/24

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision	Provisional request to carry forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year		
	£	£	£	£	£	£	£
General							
Provision for Unallocated Inflation	9,080,000	1,655,000	Cr 128,000		1,527,000	(4)&(5)&(7)	Cr 7,553,000
Provision for increase in fuel costs	2,624,000	254,000	1,306,000		1,560,000	(6)&(7)	Cr 1,064,000
Adult Social Care Market Sustainability and Improvement Fund	2,800,000	2,788,000			2,788,000	(1)	Cr 12,000
General Provision for Risk/Uncertainty	3,500,000	1,400,000	42,500		1,442,500	(5)&(7)	Cr 2,057,500
SEND Transport Growth	1,000,000	1,000,000			1,000,000	(1)	0
Social Care grant re ASC reforms	Cr 720,000	Cr 720,000			Cr 720,000	(5)	0
ASC Discharge Fund	Cr 1,083,000	Cr 1,084,000			Cr 1,084,000	(4)	Cr 1,000
Building Infrastructure Fund	2,000,000	2,000,000			2,000,000	(4)	0
Property income recovery/rent variations	500,000	500,000			500,000		0
Legal support - children and adults social care	170,000	170,000			170,000	(4)	0
Revenue impact of Capital Financing Programme	6,600,000	2,500,000	Cr 609,000		1,891,000	(4)&(6)&(7)	Cr 4,709,000
Star Lane works	0	150,000			150,000	(4)	150,000
Dual running of Civic Centre	0	1,800,000	123,000		1,923,000	(4)&(7)	1,923,000
Additional contribution to capital to West Wickham Library	0	244,000			244,000	(6)	244,000
Renewal, Recreation & Housing							
Property Valuation	100,000				0		Cr 100,000
Planning Appeals - change in legislation	60,000				0		Cr 60,000
	26,631,000	12,657,000	734,500	0	13,391,500		Cr 13,239,500
Grants included within Central Contingency Sum							
Rough Sleeping Initiative							
Grant Related Expenditure	104,000	428,000			428,000	(4)	Cr 324,000
Grant Related Income	Cr 104,000	Cr 428,000			Cr 428,000		Cr 324,000
Homeless Prevention Initiatives							
Grant Related Expenditure	784,000	361,000			361,000	(4)	Cr 423,000
Grant related Income	Cr 784,000	Cr 361,000			Cr 361,000		Cr 423,000
Supporting Families; Investing in Practice Grant							
Grant Related Expenditure	1,030,000		Cr 473,130		473,130	(7)	Cr 556,870
Grant related Income	Cr 1,030,000		Cr 473,130		Cr 473,130		Cr 475,170
Renewal, Recreation & Housing							
2023-24 Accommodation for Ex-Offenders expenditure							
Grant Related Expenditure		74,000			74,000	(4)	Cr 74,000
Grant Related Income		Cr 74,000			Cr 74,000		Cr 74,000
Homes for Ukraine Grant - Thank you payments							
Grant Related Expenditure		605,900	Cr 197,600		803,500	(5)&(7)	Cr 803,500
Grant Related Income		Cr 605,900	Cr 197,600		Cr 803,500		Cr 803,500
Homes for Ukraine Grant - payment to LA							
Grant Related Expenditure		80,000	Cr 444,218		524,218	(5)&(6)&(7)	Cr 524,218
Grant Related Income		Cr 80,000	Cr 444,218		Cr 524,218		Cr 667,382
Household Support Fund							
Grant Related Expenditure			3,736,000		3,736,000	(7)	Cr 3,736,000
Grant Related Income			Cr 3,736,000		Cr 3,736,000		Cr 3,736,000
HPG- 2023/2024 Homes For Ukraine Funding Top-Up							
Grant Related Expenditure		1,117,000			1,117,000	(4)	Cr 1,117,000
Grant Related Income		Cr 1,117,000			Cr 1,117,000		Cr 1,117,000
Children, Education and Families							
S31 Leaving Care Uplift Grant							
Grant Related Expenditure		68,000			68,000	(4)	Cr 68,000
Grant Related Income		Cr 68,000			Cr 68,000		Cr 68,000
GLA free school meal payment							
Grant Related Expenditure		6,036,000			6,036,000	(4)	Cr 6,036,000
Grant Related Income		Cr 6,036,000			Cr 6,036,000		Cr 6,036,000
UKSPF funding							
Grant Related Expenditure		275,000			275,000	(3)	Cr 275,000
Grant Related Income		Cr 275,000			Cr 275,000		Cr 275,000
Early Years Supplementary Grant							
Grant Related Expenditure		1,669,000			1,669,000	(5)	Cr 1,669,000
Grant Related Income		Cr 1,669,000			Cr 1,669,000		Cr 1,669,000
Adult Education GLA Grant Funding							
Grant Related Expenditure		82,000			82,000	(5)	Cr 82,000
Grant Related Income		Cr 82,000			Cr 82,000		Cr 82,000
Early Years and High Needs DSG							
Grant Related Expenditure		1,335,000			1,335,000	(5)	Cr 1,335,000
Grant Related Income		Cr 1,335,000			Cr 1,335,000		Cr 1,335,000
DFE Delivery Support Fund							
Grant Related Expenditure		65,703			65,703	(6)	Cr 65,703
Grant Related Income		Cr 65,703			Cr 65,703		Cr 65,703
Adult Social Care							

Work Safe Project								
Grant Related Expenditure		65,000			65,000	(2)	65,000	
Grant Related Income	Cr	65,000		Cr	65,000		Cr	65,000
Market Sustainability and Improvement Fund - Workforce Fund								
- expenditure		1,810,000			1,810,000	(4)	1,810,000	
- income	Cr	1,810,000		Cr	1,810,000		Cr	1,810,000
ICB Funding for Hospital Discharges								
- expenditure		1,511,000			1,511,000	(4)	1,511,000	
- income	Cr	1,511,000		Cr	1,511,000		Cr	1,511,000
Public Protection								
Environmental Protection-DEFRA grant								
- expenditure			11,710		11,710	(7)	11,710	
- income			Cr 11,710		Cr 11,710		Cr	11,710
Licensing-Home Office grant								
- expenditure			10,404		10,404	(7)	10,404	
- income			Cr 10,404		Cr 10,404		Cr	10,404
Food Standards- DEFRA Grant								
- expenditure			4,480		4,480	(7)	4,480	
- income			Cr 4,480		Cr 4,480		Cr	4,480
TOTAL CARRIED FORWARD		26,631,000	12,657,000	734,500	0		13,391,500	0

Notes:

- (1) 29th March 2023
- (2) 17th May 2023
- (3) 5th July 2023
- (4) 20th September 2023
- (5) 29th November 2023
- (6) 27th March 2024
- (7) 22nd May 2024

Allocation of Contingency Provision for 2023/24 (continued)

Item	Carried Forward from 2022/23	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	26,631,000	12,657,000	734,500	0	13,391,500	Cr 13,239,500	
Items Carried Forward from 2022/23							
Adult Care & Health Portfolio							
Supplementary Substance Misuse Treatment & Recovery Funding							
- Expenditure		57,217		0	57,217	0	
- Income	Cr 57,217	Cr 57,217		0	Cr 57,217	(1) 0	
Improved Better Care Fund (IBCF)							
- Expenditure		1,911,026		0	1,911,026	0	
- Income	Cr 1,911,026	Cr 1,911,026		0	Cr 1,911,026	(1) 0	
Public Health							
- Expenditure		2,874,494		0	2,874,494	0	
- Income	Cr 2,874,494	Cr 2,874,494		0	Cr 2,874,494	(1) 0	
LD/Autism Funding from South East London ICB							
- Expenditure		207,904		0	207,904	0	
- Income	Cr 207,904	Cr 207,904		0	Cr 207,904	(1) 0	
Discharge Transformation funding from South East London ICB							
- Expenditure		256,065		0	256,065	0	
- Income	Cr 256,065	Cr 256,065		0	Cr 256,065	(1) 0	
Winter Resilience Funding							
- Expenditure		400,000		0	400,000	0	
- Income	Cr 400,000	Cr 400,000		0	Cr 400,000	(1) 0	
Omicron Support Fund							
- Expenditure		136,212		0	136,212	0	
- Income	Cr 136,212	Cr 136,212		0	Cr 136,212	(1) 0	
Test and Trace service support grant							
- Expenditure		368,138		0	368,138	0	
- Income	Cr 368,138	Cr 368,138		0	Cr 368,138	(1) 0	
Charging Reform Implementation Support Grant							
- Expenditure		104,250		0	104,250	0	
- Income	Cr 104,250	Cr 104,250		0	Cr 104,250	(1) 0	
Contain Outbreak Management Fund grant							
- Expenditure		54,300		0	54,300	0	
- Income	Cr 54,300	Cr 54,300		0	Cr 54,300	(1) 0	
Renewal, Recreation & Housing Portfolio							
Accommodation for ex-Offenders							
- Expenditure		63,669		0	63,669	0	
- Income	Cr 63,669	Cr 63,669		0	Cr 63,669	(1) 0	
Defra Biodiversity Net Gain Grant							
- Expenditure		13,216		0	13,216	0	
- Income	Cr 13,216	Cr 13,216		0	Cr 13,216	(1) 0	
Homelessness Reduction Grant							
- Expenditure		89,000		0	89,000	0	
- Income	Cr 89,000	Cr 89,000		0	Cr 89,000	(1) 0	
New Homes Bonus Funded LEP Programme							
- Expenditure		72,521		0	72,521	0	
- Income	Cr 72,521	Cr 72,521		0	Cr 72,521	(1) 0	
Rough Sleepers Initiative							
- Expenditure		42,663		0	42,663	0	
- Income	Cr 42,663	Cr 42,663		0	Cr 42,663	(1) 0	
Homes for Ukraine grant							
- Expenditure		5,415,265	2,500,000		2,500,000	0	
- Income	Cr 5,415,265	Cr 2,500,000			Cr 2,500,000	(1) Cr 2,915,265	
Children, Education and Families Portfolio							
COVID Recovery Grant							
- Expenditure		130,091		0	130,091	0	
- Income	Cr 130,091	Cr 130,091		0	Cr 130,091	(1) 0	
National Tutoring Programme							
- Expenditure		21,721		0	21,721	0	
- Income	Cr 21,721	Cr 21,721		0	Cr 21,721	(1) 0	
GLA Adult Ed Grant Repayment							
- Expenditure		15,664		0	15,664	0	

Item	Carried Forward from 2022/23	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			
	£	£	£	£	£	£	£
- Income	Cr 15,664	Cr 15,664		0	Cr 15,664	(1)	0
Deed Settlement for Hawes Down Site							
- Expenditure	5,370	5,370		0	5,370	(1)	0
- Income	Cr 5,370	Cr 5,370		0	Cr 5,370		0
Supporting Families; Investing in Practice Grant							
- Expenditure	475,140	475,140		0	475,140	(1)	0
- Income	Cr 475,140	Cr 475,140		0	Cr 475,140		0
Virtual School - CIN Grant Carry Forward							
- Expenditure	82,151	82,151		0	82,151	(1)	0
- Income	Cr 82,151	Cr 82,151		0	Cr 82,151		0
Homes for Ukraine DfE Grant							
- Expenditure	1,187,034	1,187,034		0	1,187,034	(1)	0
- Income	Cr 1,187,034	Cr 1,187,034		0	Cr 1,187,034		0
BAEC upgrading hardware and supporting software - GLA Grant							
- Expenditure	25,575	25,575		0	25,575	(1)	0
- Income	Cr 25,575	Cr 25,575		0	Cr 25,575		0
YOT NHS Money							
- Expenditure	29,300	29,300		0	29,300	(1)	0
- Income	Cr 29,300	Cr 29,300		0	Cr 29,300		0
Resources, Commissioning and Contracts Portfolio							
Electoral Services - New Burdens Grant							
- Expenditure	14,583	14,583		0	14,583	(1)	0
- Income	Cr 14,583	Cr 14,583		0	Cr 14,583		0
Local Digital Cyber Fund							
- Expenditure	49,837	49,837		0	49,837	(1)	0
- Income	Cr 49,837	Cr 49,837		0	Cr 49,837		0
BEIS - EBSS AF and AFP							
- Expenditure	847,200	847,200		0	847,200	(1)	0
- Income	Cr 847,200	Cr 847,200		0	Cr 847,200		0
General							
POCA confiscation orders from the courts	60,637	60,637	Cr 60,637	0	0	(1)	Cr 60,637
HMO income	78,000	78,000		0	78,000	(1)	0
Legal Services - ULEZ	140,000	140,000		0	140,000	(1)	0
Local Plan Implementation	120,000	120,000		0	120,000	(1)	0
Highways income	245,000	245,000		0	245,000	(1)	0
Total Carried Forward from 2022/23	643,637	643,637	Cr 60,637	0	583,000		Cr 60,637
GRAND TOTAL	27,274,637	13,300,637	673,863	0	13,974,500		Cr 13,300,137

Notes:

(1) Various PDS reports across the Portfolios

Description	2023/24 Latest Approved Budget £'000	Variation To 2023/24 Budget £'000	Potential Impact in 2024/25
Housing Allocations and Accommodation- Temporary Accommodation	6,418	4,806	The full year effect of Temporary Accommodation is currently estimated to be an overspend of £8,743k. This estimate only takes into account the projected activity to the end of this financial year and not any projected growth in client numbers beyond that point. This does not include the impact of mitigation though the Housing Development and Acquisition Programme.
Supporting People	1,070	Cr 173	The full year effect of Supporting People is currently estimated to be a credit of £148k. This is a result of the estimated savings from retendering of the contracts that has taken place.
Assessment and Care Management - Care Placements	31,464	1,090	The full year impact of the current overspend is estimated at £4,637k. Of this amount Cr £69k relates to residential and nursing home placements for 65+ and Dr £160k for the 18-64's. Domiciliary care & direct payments 65+ is £2,540k overspent and for 18-64 £889k. There is also a £1,117k FYE of current level of Discharge to Assess costs.
Learning Disabilities - including Care Placements, Transport and Care Management	42,273	Cr 175	The full year effect (FYE) variation is estimated at a net overspend of £2,367k. This figure is greater than the in-year underspend as demand-related growth pressures, for example transition and increased client needs, have only a part year impact in 2023/24 but a greater financial impact in a full year. There is net 62 new services in 23/24 which account for the net pressure.
Mental Health - Care Placements	6,598	1,330	A full year overspend of £529k is anticipated on Mental Health care packages, with residential, nursing and supported living placements £412k overspent and domiciliary care and direct payments £117k overspent.
Children's Social Care	49,574	2,263	The overall full year effect of the Children's Social Care overspend is a net £8,494k, analysed as Residential Care, Fostering and Adoption of £4,545k, Leaving Care costs of £2,526k, CWD costs of £1,528k, and referral and assessment of Cr £105k.
SEN Transport	10,324	1,394	The overall full year impact is £2,015k

Carry Forwards from 2023/24 to 2024/25**MEMBERS' APPROVAL REQUIRED****Grants with Explicit Right of Repayment****ADULT CARE AND HEALTH PORTFOLIO**

1	Accelerating Reform Fund Accelerating Reform Fund, provides funding over 2023/24 and 2024/25 for scaling up innovation in care, and to kick-start improvements in support for unpaid carers. Funding awarded to a consortium, Bexley, Bromley (Lead), Greenwich, Lambeth, Lewisham and Southwark - (1) To identify and help unpaid carers access the right information, advice, guidance and support to enable the safe and timely discharge of patients to their homes. (2) To build on local approaches to HomeFirst to take forward preventative offers in an evidenced based way and focusing in on where to intervene earlier.	546,769
2	Work Safe Project Funding A one-off ringfenced grant was allocated to the Council in 2023/24 by the South East London ICB for the proposed Work Safe Project under a Section 256 agreement. As this amount was not spent in year it is now requested to be carried forward for spending in 2024/25.	65,000

Adult Care and Health Portfolio	611,769
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CHILDREN EDUCATION & FAMILIES PORTFOLIO

3	COVID Recovery This is an academic year grant. This allows LA's to carry forward all or part of the grant to be used in the remainder of the current academic year.	114,289
4	National Tutoring Programme This is an academic year grant. This allows LA's to carry forward all or part of the grant to be used in the remainder of the current academic year.	26,019

Childrens, Education and Families Portfolio	140,308
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RENEWAL, RECREATION AND HOUSING PORTFOLIO

5	Homes for Ukraine grant The Department for Levelling Up, Housing and Communities (DLUHC) launched the Homes for Ukraine scheme on the 14th March 2022. The scheme allows people living in the UK to sponsor a Ukrainian national or family to come and live in the UK providing there is suitable accommodation available. The grant also covers any additional costs that the Authority may incur. Part of the funding was a one off payment that can be carried forward into the new financial year to continue to support the impact on services for Ukrainians living in Bromley over the following three years (one off funding)	3,582,647
6	Penge Wayfinding Project - New Homes Bonus funding for maintenance costs £72.5k would cover installation costs, 10 years of maintenance costs plus the costs of disposal. New Homes Bonus funding rules, and says that the funding can be used for capital and revenue but wants to check that maintenance costs would be permitted.	72,500

Renewal, Recreation and Housing Portfolio	3,655,147
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Total Expenditure to be Carried Forward	4,407,224
Total Grant Income	-4,407,224

Grants with no Explicit Right of Repayment**ADULT CARE AND HEALTH PORTFOLIO**

7	Improved Better Care Fund (IBCF)	1,627,904
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A total of £9,641k Improved Better Care Funding (IBCF) was available for spending in 2023/24, including an amount brought forward from 2022/23. In line with the original IBCF report to the Executive in October 2017, underspends can be carried forward to support expenditure in future years.

8	LD/Autism Funding from South East London ICB	30,180
	SELICB made available financial support to help provide the borough with funding to support services to adults and children with autism and to support admission avoidance and prevention into adult Assessment and Treatment Units or children's CAMHS in-patient provision; this is the second tranche after £247k received 2022/23. It is requested that £30k of these funds is carried forward into 2024/25. In agreement with SELICB it is planned to spend the funds as follows; Needs Assessment - CYP Adult Mental Health/Adult LD £30k	
9	Public Health Grant	2,726,923
	The cumulative underspend for the ring-fenced Public Health Grant brought forward from 2022/23 was £2,874k. During the year some of this balance was used to fund Public Health initiatives, with a balance of £2,727k to be carried forward to fund public health initiatives in future years.	
10	Discharge Transformation Funding from South East London ICB	256,065
	In December 2022 the Council was allocated £992,046 by the Department for Health and Social Care for Discharge Transformation Funds. These funds were ringfenced to support the safe and timely discharge of residents from hospital with monies spent on additional care packages and other activities in support of hospital discharge. It is requested that £256k of these funds is carried over into the next financial year to support the cost of hospital discharge pressures that have continued into 2024/25, and also to part fund an approved contract variation on the Primary & Secondary Intervention Service (PSIS) contract.	
11	Charging Reform Implementation Support Grant	24,250
	A carry forward of the balance of the Charging Reform Implementation Support Grant of £24k is requested to continue the work needed to prepare for the implementation of the charging reform.	
12	Omicron Support Fund	86,965
	The Council received £297k of Omicron Support Fund grant in January 2022 of which £136k was carried forward to 23/24. A further £49k was spent during the year and it is requested that the remaining balance of £87k is carried forward to 2024/25 to assist with the Patient Safety Alert Project.	
13	Test and Trace service support grant	321,756
	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 £1,048k has been spent to date and the balance of £322k is requested to be carried forward to 2024/25.	
	Adult Care and Health Portfolio	5,074,043
	<u>CHILDREN EDUCATION & FAMILIES PORTFOLIO</u>	
14	Supporting Families, Investing in Practise Grant	475,170
	The new programme, Supporting Families; Investing in Practice, will help families work on issues together, including those impacted by domestic violence, substance misuse or addiction, in order to help create stability in the home for young people and prevent them being taken into care, where that is in their best interests. This is part of wider Government work to improve outcomes for children in need of support of a social worker, by creating home and school environments in which they can thrive.	
15	Virtual School - CIN Grant Carry Forward	105,000

Two years ago the LA were given new duties to promote the education to ALL children with a social worker. To recognise the significant extra work the LA were allocated an annual grant of £100k. This money is intended solely for this purpose, and the DCS has signed the memorandum of understanding that commits to this.

This is mainly used to pay for staff, although there has been issues with recruitment over the last financial year.

16	GLA Adult Education Grant The £82k is needed to support staffing and IT infrastructure needs at BAEC in the financial year 2024/25. The £82k was received late in 2023/24 (January 2024) as the funds BAEC operates with cover academic year. The funding will ensure the financial sustainability to fulfil the operational staffing and IT infrastructure needs of the service	82,000
17	Delivery Support Fund The DFE awarded in the Autumn term the sum of £65,703 to support the rollout of the expanding childcare funding streams. We have so far committed £29K of this grant, to pay for a full Childcare Sufficiency assessment over the summer term. The contract for this has only just been signed and works will commence in April. It is crucial that we conduct a full childcare assessment to be able to determine the childcare needs in Bromley, which is one of our core duties as a Local Authority. To be able to spend this grant effectively, the local need will have to be understood.	65,703
18	PDP3 Payment Grant The DFE have provided a backfill grant for students from Early Years settings to undertaking training. Two payments were made this year based upon student take up. Some progress payments have been made but not all progress has been confirmed by the trainer, so some are outstanding.	9,419
19	GLA Free Schools Meal Grant The GLA UFSM allocation of £183,532 needs to be carried over to allow sufficient time to ensure remaining funds are calculated and distributed to our schools in proportion to eligibility criteria and latest data	183,532
Childrens, Education and Families Portfolio		920,824
<u>RESOURCES, COMMISSIONING AND CONTRACTS</u>		
20	ICT - Cyber Security Grant The Cyber Security grant needs to be carried forward again. IT have had a long phase 1 for the last part of the work under this grant and are heading into phase 2 which is the implementation of technical policies and configuration.	42,820
Resources, Commissioning & Contracts Management		42,820
Total Expenditure to be Carried Forward		6,037,687
Total Grant Income		-6,037,687
<u>OTHER CARRY FORWARD REQUESTS</u>		
<u>RENEWAL & RECREATION AND HOUSING PORTFOLIO</u>		
21	Contract variation - phase 2 of the HRA policies and allocation policy In June 2023 (report HPR2023/028), the Portfolio Holder (RRH) was recommended to approve a contract variation to Campbell Tickell for the provision of consultancy services to continue the development of the various housing policies and work relating to the allocation policy at a value up to £42,500. This funding has been identified from an underspend in contingency in 23/24 and is requested to be carried forward to 24/25 which is when the cost of this contract variation will be incurred.	42,500
		42,500
<u>CHILDREN EDUCATION & FAMILIES PORTFOLIO</u>		
22	The Youth Support Programme Mobile and Detached Team Van	60,000

The Youth Support Programme Mobile and Detached Team provide a resource to engage with young people and target support within the borough where it is required. The service offers an accessible positive activities programme designed to meet the

The funding is from underspends and use of grant in 2023/24 that will not be replicated in 2024/25, so the funding is requested to be carried forward to support the cost of the vehicle.

The arrangements for the vehicle have been made but could not be completed before the end of the financial year

 60,000

PUBLIC PROTECTION AND ENFORCEMENT PORTFOLIO

23 POCA confiscation orders from the courts 60,737
 The amount allocated to Public Protection & Enforcement has not been spent in 2023-2024. This consists of two confiscation orders that will be used to finance Trading Standards project work in 2024-2025, as this is restricted funding.

24 PPE Funding for New Regulatory Burdens for Implementation 26,600
 Income received to implement new regulatory burdens for pavement licensing, Food Allergen labelling and Environmental Protection under EPA 90 for Smoke Control. The income was received at the end of the financial year; therefore, the service was unable to plan for spend in year. The service intend to carry this income forward in order to implement the changes in the coming year.

 87,337

ENVIRONMENT AND COMMUNITY SERVICES

25 Traffic and Road Safety underspend 31,128
 The request is for meeting the cost of removing the obsolete parking guidance information signs from around Bromley and Orpington town centres. The work has been negotiated at a discounted price with the contractor J B Rinney, but it could not be started before the end of the financial year.

RESOURCES, COMMISSIONING AND CONTRACTS

 31,128

26 Maintenance & Liability works on Churchill Court 617,000
 Delays in maintenance work budgeted for in 2023-24 not yet started, carry forward request is being made to cover the cost of these works in 2024-25, these are maintenance works which cannot be capitalised against the accommodation project.

27 Audit Plan 2024-25 50,000
 There were savings in the Audit budget of £84k which mainly relates to staff vacancies which has had an impact on the delivery of the audit plan. There is a request of £50k carry forward as a contribution to the cost of meeting the delivery of the outstanding work in 2024/25

 667,000

Total Other

 887,965

TOTAL CARRY FORWARD TO 2024/25

 887,965

EARMARKED GENERAL FUND BALANCES - 2023/24

Description	Balance at 31/03/23	Expenditure	Income		Balance at 31/03/24
			Contribs.	Interest	
	£'000	£'000	£'000	£'000	£'000
EARMARKED BALANCES					
Technology Fund	1,229	-98	0	60	1,191
Investment to Community	228	-1	0	0	227
Planning Services Charging Account	-155	-444	0	0	-599
Government Grants	8,481	-8,481	5,132	0	5,132
Invest to Save	18,274	0	0	0	18,274
One off Member Initiatives	654	-83	16	0	587
Infrastructure Investment Fund	412	-240	0	0	172
Health & Social Care 'Promise Programme'	3,953	0	0	0	3,953
Winter Pressures	2,010	0	0	0	2,010
Key Health & Social Care Initiatives	1,700	0	0	0	1,700
Integration of Health & Social Care Initiatives	1,614	0	0	0	1,614
Collection Fund Surplus Set Aside	37,155	-2,809	0	0	34,346
Healthy Bromley Fund	2,465	-566	0	0	1,899
Parallel Fund	3,097	0	152	0	3,249
					1,480
Health & Social Care Integrated Commissioning Fund	3,030	-2,000	450	0	
Financial Planning & Risk Reserve	10,000	0	2,200	0	12,200
Bromley Welfare Fund	753	-233	0	0	520
					572
Payment in Lieu Reserve for Temporary Accommodation	536	-469	505	0	
Business Rates Risk Reserve	4,200	-2,670	0	0	1,530
					3,158
Various Joint Schemes and Pump Priming Investments	5,091	-2,368	435	0	
Transition Fund	2,560	0	0	0	2,560
Environmental Initiatives	425	-35	4	0	394
Professional Advice for Future Schemes	122	0	0	0	122
Utilisation of New Homes Bonus	2,238	0	9	0	2,247
Future Pensions Risk on Outsourcing	1,729	0	282	0	2,011
					623
West Wickham Leisure Centre & Library Redevelopment	623	0	0	0	
Income Equalisation Reserve	9,030	0	4,210	0	13,240
Transformation Fund	1,224	-27	11	0	1,208
Growth Fund	21,061	0	0	0	21,061
Transformation Programme	251	0	0	0	251
Housing Investment Fund	1,185	-128	84	0	1,141
High Street & Parks Improvement Fund	71	0	0	0	71
Health Facilities Fund	993	0	0	0	993
Health & Social Care Transformation Fund	1,500	0	0	0	1,500
Housing feasibility and viability	36	-36	0	0	0
Carbon Neutral Initiatives Fund	875	0	0	0	875
Hospital Discharge Funding	5,031	0	0	0	5,031
COVID recovery Fund	8,443	-4,178	0	0	4,265
Platinum Jubilee Fund	854	0	0	0	854
Capital Fund	1,251	0	0	0	1,251
Investment Fund	8	0	65	0	73
Tremendous Fund	595	0	13	0	608
Strategy Transformation Fund	149	-48	0	0	101
Social Care Staffing Fund	1,700	-870	0	0	830
IT Procurement Fund	336	-336	0	0	0
Legal Fund	635	-65	0	0	570
Education Fund	630	-525	0	0	105
Building Infrastructure Fund	2,000	-852	0	0	1,148

Arboricultural Backlog Fund	400	0	0	0	400
New Reserves Set Up in 2023/24					
Education Staffing Restructure	0	0	600	0	600
LBB Owned Affordable Housing Reserve	0	0	469	0	469
Sub-Total	170,682	-27,562	14,637	60	157,817
Schools	3,070	-959	0	0	2,111
Insurance Fund	3,912	-238	500	377	4,551
Sub-Total	177,664	-28,759	15,137	437	164,479
Collection Fund Deferred Costs Reserve *	2,283	-2,283	0	0	0
DSG Adjustment Account (Unusable Reserve) **	-12,706	-3,516	0	0	-16,222
TOTAL	167,241	-34,558	15,137	437	148,257

* This Reserve represents grants received and accrued for in 2021/22 & 2022/23, which will be used to fund costs that will accrue during 2023/24 & 2024/25.
 override. It is therefore shown here as if/when the override ends then any deficit will have to be met from revenue reserves.

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 2023 £000	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31st March 2024 £000
<u>Revenue</u>					
408	Highway Improvement Works	237			645
1	Landscaping				1
8	Local Economy & Town Centres				8
82	Parking				82
169	Education				169
1,275	Healthcare Services	292	257		1,310
0	Community Facilities				-
89	Housing				89
959	Other	198			1,157
2,991		727	257	-	3,461
<u>Capital</u>					
4,744	Education	414			5,158
20	Highways				20
2,392	Housing				2,392
686	Local Economy & Town Centres				686
60	Other				60
7,902		414	0	-	8,316
10,893		1,141	257	0	11,777

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 2024.

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 2024, the end of the 2023/24 financial year. The table below shows an overall decrease in balances of £959k (from £3,070k to £2,111k). This decrease can be seen to be across both revenue and capital balances and mainly in special schools sectors, detailed below.

	Nos	Accrued Balances at 1 April 2023 £'000	Under/ Over (-) Expenditure in 2023/24 £'000	Accrued Balances at 31 March 2024 £'000	Analysis of Balances as at 31 March 2024						Nos
					Committed Revenue £'000	Uncommitted Revenue £'000	Devolved Formula Capital £'000	Other Capital £'000	Community Focussed Extended Services £'000	Total Balances £'000	
Primary Schools	3	1,117	61	1,178	163	959	56	0	0	1,178	3
Secondary Schools	1	215	-66	149	26	123	0	0	0	149	1
Special Schools	2	1,738	-954	784	208	316	24	42	194	784	2
Total	6	3,070	-959	2,111	397	1,398	80	42	194.0	2,111	6

THE DSG BUDGET

Expenditure on most elements of Education 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 DSG budget. Any overspend or underspend must be carried forward to the following year's DSG Budget.

There is a total in year overspend of £3,516k on DSG funded services as outlined below.

An analysis of the main variations is provided below:

	£000 Outturn Variance
Special Education Needs Pre 16 Placements	3,983
Special Education Needs Post 16 Placements	109
Early Years	-1,136
Hearing Service	30
Education Welfare	44
Deficit in one of Schools When it Converted to Academy	38
Other Small Balances	448
Final Outturn	3,516

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.

7 schemes have been approved to date and, as at 31st March 2024, the actual balance on the Fund stood at £18,275k as detailed in the table below:

Scheme	Approval date (Council/Exec)	To 31st March 2024				
		Contributions	Approved "loans"	Advanced from Fund	Repaid to Fund	Net "loan" 31/03/2024
		£'000	£'000	£'000	£'000	£'000
<u>Approved funding</u>						
Initial Funding allocation	Oct-11	14,000				
Council Tax Freeze grant	Feb-12	3,304				
<u>Approved schemes</u>						
Green waste/textile collection service	Dec-11		220	220	220	0
Replace street lighting columns	Nov-12		8,507	11,366	12,337	-971
Bellegrave - refurbishment	Jan-13		400	508	508	0
Statemented pupils - travel training	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	500	0
Street Lighting LED conversion programme	Jul-21		3,200	771	771	0
			17,304	13,617	13,959	14,930
						-971
Actual Fund balance 31/03/24						18,275

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Report No.
CSD24045

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: EXECUTIVE

Date: 22 May 2024

Decision Type: Non-Urgent Executive Non-Key

Title: CRM REPLACEMENT CAPITAL PROJECT – CRM & WEBSITE REDESIGN CLOSURE REPORT AND WEBSITE PHASE 2 OPTIONS

Contact Officer: Duncan Bridgewater, Assistant Director - Customer Services
Tel: 0208 461 7676 E-mail: duncan.bridgewater@bromley.gov.uk

Chief Officer: Charles Obazuaye, Director of HR, Customer Services and Public Affairs

Ward: All

1. REASON FOR REPORT

- 1.1 This report provides an update on the CRM replacement capital programme including a scheme closure report on the completed software implementation and the completed redesign of the Council's public facing website.
 - 1.2 This report also seeks Member's approval to progress the complimentary scheme to enhance the My Account features of the website including the personalisation and single sign on initiatives outlined in the report.
-

2. RECOMMENDATION(S)

- 2.1 Under the CRM capital programme, note the completion of the software implementation and website redesign upgrade project of a value of £491k leaving a remaining value of £270k allocated to this programme.
- 2.2 Approve that the £270k underspend from the capital programme can be realigned to fund the complimentary Phase 2 website 'My Account' enhancement initiatives as set out in the Liberata proposal. This work will be undertaken through the Council's existing provider's CCN process for Liberata as set out in section 10 of this report. Total cost estimates for the project are set out in appendix 1 of the Part 2 report.
- 2.3 Approve delegated authority to the Assistant Director of Customer Services to spend the £270K budget. This will include the purchase of technology and the setting up of any ongoing support contracts which will be procured under a variation agreement to the existing technology providers for the provision of additional services as part of the existing solution and contracts. Further details are set out in appendix 1 of the Part 2 report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: An Equality Impact Assessment indicates that ongoing support for vulnerable adults and children will be provided by Customer Service by phone and face to face for those unable to access digital services. For those unable to visit or phone us, this proposal will enhance the range of self-service options.
-

Transformation Policy

1. Policy Status: Existing Policy
2. Making Bromley Even Better Priority:
 - To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
 - Exploit the benefits of digitalisation.
 - Effectively manage the collection of Council Tax and Business Rates.
 - Commission services intelligently and integrate services where it makes sense to do so.
 - Explore and implement innovation in service delivery and design.

Transformation Objectives:

- Effective resident engagement.
 - Flexibility, independence, and choice in service delivery.
-

Financial (As set out in Appendix 1 of the Part 2 report)

1. Cost of proposal: £270k (Capital)
 2. Ongoing costs: £7.5k (revenue)
 3. Budget head/performance centre: Customer Service IT System Replacement
 4. Total current budget for this head: £270k
 5. Source of funding: Capital & Revenue
-

Personnel

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

Legal

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

Procurement

1. Summary of Procurement Implications: Please see section 15.
-

Property

1. Summary of Property Implications: N/A
-

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:

The My Bromley account holds 139k accounts with 46,177 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

Impact on the Local Economy

1. 24/7 website available for customers to pay for services online.

Impact on Health and Wellbeing:

1. Summary of Health and Wellbeing Implications: N/A

Customer Impact

1. Estimated number of users or customers (current and projected): 2,000 visitors, 350,000 phone calls, 20,000 e-mails and 8 million web visits annually.

Ward Councillor Views

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

3. CLOSURE REPORT COMMENTRY

CRM Replacement Project

- 3.1 In October 2019, Executive (Report CEO19001A) agreed to upgrade the Council's Customer Relationship Management System (CRM) to the Jadu CXM system on the outcome of the BT options appraisal and recommendation review report. The recommended and selected option, Jadu CXM, was chosen due to the enhanced case management functionality and the already obtained Jadu suite of systems that the Council currently uses for website content management, web forms and the e-pay service. CXM is a further module of the software from the provider and is a configurable and flexible case management system that can be integrated with other key line of business systems and aligns to the corporate website software.
- 3.2 BT were commissioned to carry out the implementation of the CXM system including implementing all associated integration software alongside the Bromley Project Team. Work was successfully completed in the summer of 2021 and the system went live on the 30th of June, two weeks earlier than its original deadline. To date, the CXM system including the integration middleware tool has been effectively running for the Contact Centre and back-end service areas to receive and action service requests. The project has since been closed and the decommissioning of the old CRM system has taken place.

Website Redesign and Upgrade Project

- 3.3 In March 2021, Executive (Report FSD21021) agreed that a sum of £150k was set aside to meet the cost of the changes to the Council's website, funded from the 2020/21 Central Contingency Sum. This was due to the outcome of the review of the Council's website which was conducted by the Council's Customer Service's service delivery partner (Liberata) who manage and edit the public website (www.bromley.gov.uk). The review's findings concluded that the website was visually and technically tired in terms of its design templates, whilst being fragmented with a number of sub-sites. The Jadu software running Bromley's public facing website had been in place for nine years and had been regularly upgraded through the Council's system support contract. However, the design itself had seen only minor tweaks in that period with the basic structure of the website remaining the same, as had the look and feel of the technology that sits behind the web pages. Technologically, things had moved on over the years with the use of mobile technology which Liberata felt was not reflected in the current structure and functionality of the existing website.
- 3.4 Therefore, a full re-design process was undertaken driven by customer engagement, service-based representative engagement and using behavioural analytics tools to arrive to an evidence led final design. The website was successfully redesigned and upgraded to the Jadu Photon platform in June 2022 and has benefited from the following improvements:
- Enhanced features and functionality.
 - More robust, reliable and with improved and modernised templates, the new site has already improved accessibility ratings over the old site.
 - Security and search engine optimisation improvements of the site whilst offering a long-term solution to managing templates on the Council's sub-sites.
 - The Council's branding is better reflected across the new site, and all site content was reviewed by service area specialists before going live, to ensure customers had access to the most relevant and up to date information.
 - Customers now have a range of options to find information, which includes site search features, a full range of 'simple to recognise' service buttons, top tasks services links, and a comprehensive A – Z.
 - The new software supports any design changes required as a result of broader personalisation of pages and the integration opportunities from Jadu's CXM product to enhance the overall customer experience.
 - Safeguard long term technical support and unifies the template technology across all Jadu products in place with the provider.
 - Benefits other customer facing systems using the website templates.

- The site and content have also achieved the Crystal Mark Plain English standards.

3.5 In September 2021, Executive (Report CSD21097) agreed to a complimentary scheme under the website redesign and upgrade project, to migrate the website from the former software hosting provider to Jadu’s own hosting managed platform at an estimated cost of £175k. This work brought a range of benefits and was carried out to enhance the performance of the website on Jadu’s own hosting managed platform and servers. This work achieved the following:

- Cost reduction in both the running cost of the hosting contract and an efficiency for routine patching as less in-house resources are now required to patch the solution which is part of Jadu’s contractual obligations.
- Less downtime for the site, with an enhanced resiliency level and fewer large upgrades required.
- Enhanced security with a DDOS (Distributed Denial of Service) mitigation package. As websites are increasingly a target for malicious activity the DDoS mitigation solution helps to deter hacking and other forms of attack by detecting and blocking threats.
- By moving to Jadu’s hosted platform, this also favoured the Council’s IT strategy which states where possible, vendor hosted solutions should be used.

3.6 This work has now been completed as part of the project and the former hosting environment has been successfully decommissioned.

Final Scheme Costs:

3.7 The below shows the overall cost breakdown for the projects:

	£'000	£'000
Capital		
Budget Approved	761	
CRM replacement software, decommissioning/disposal	-283	
Web redesign & server relocation costs, phase 2 options	-208	
Balance remaining	270	
Revenue (FY 20/21)		
Budget Approved		150
Replacement web software, contractor & hosting costs		-120
Balance remaining		30

CRM Replacement Scheme Costs

3.8 As detailed in the last update report, the CRM replacement project came in under budget. The total budget for the scheme was £761k. The total CRM replacement scheme expenditure came to 283k. This has been achieved by officers with a number of scope changes that are highlighted below:

3.8.1 BT’s initial implementation costs outlined in their proposal were based on non-TUPE rates for the engineers that were due to work on the project. However, due to the nature of the project and the resources available at the time officers were actually able to secure BT TUPE engineers and therefore third-party staff costs were significantly reduced.

3.8.2 Result of the Environmental Services Commissioning:

At the time of BT producing the CRM Review report, the Council was mid-way through the Environmental Commissioning project. It was recognised at the time there would be a significant impact on the CRM replacement project depending on the outcome of the commissioning work and contract mobilisation. The most significant factors were how the services would breakdown across the different service lots and the potential number of organisations involved and what their technical capabilities were. As a consequence of such unknown factors the proposed solution, and therefore associated costs, provided in the report were based on the likelihood of the most complex outcome. When the actual contract was awarded the outcome was less complex and in the early stages of the Environmental Services transition work officers were able to simplify a number of data processes and consequently reduce cost.

3.8.3 Maturity of the Jadu product:

'Out of the Box' features in the Jadu CXM product have 'matured' since the BT CRM Review report was produced and therefore the Council was able to take advantage of these technology advancements. Specifically, the systems integration aspects, previously required a more substantial integration middleware solution, this was not ultimately required, and officers were able to deploy a simplified integration.

3.8.4 Removal of some services requiring the use of CRM:

During the pre-deployment solution analysis work, back-office services were consulted about their data capture in the CRM system. From this officers ascertained that some services were looking at alternative solutions for how they interact with their customers and there was an opportunity to simplify or remove some of the functions being performed by the current CRM system. These are outlined below:

- Waste Services - (Veolia's ECHO system and the aspirational Fix My Street product to be used for the provision of missed collections). With printed waste publications such as tip permits, and waste calendars provided by the CXM product.
- Significant number of legacy forms not required as a consequence of not being used or used so infrequently that an alternative provision was more cost-effective.
- Certain features such as complaint escalations, have been implemented in a different way, due to differences in technologies and therefore reducing complexity.

3.8.5 Fix My Street solution:

Environmental Services deployed the MySociety Fix My Street product to the Contact Centre as the case management system for Streets and Greenspace cases. This was in light of an options appraisal investigation that was undertaken to determine the new emerging functionality that MySociety had created. This emerged after the BT CRM options report was produced and was therefore not included as an option. This new technology linked the FMS front end case management system to the back end 'Confirm' system which Environmental Services staff already use. Therefore, considerably less effort and expenditure were required to deploy this solution to the Contact Centre.

3.8.6 Decommissioning & Archive of the old CRM system:

There were no costs to the project for the decommissioning activities due to the BT contractor undertaking this work as a BAU activity under the current contract. Also, due to Environmental Services deployments of the Fix My Street and ECHO systems, there was no requirement to keep an archiving system as the critical data had already been removed from the system as part of decommissioning process. Therefore, the archiving costs were removed from the scope of the project and a further efficiency made.

Website Redesign and Upgrade Costs

- 3.9 The website redesign and upgrade had a budget of £150k, with a total spend of £120k, leaving an underspend of £30k. This budget was used to fund the Jadu replacement software including contractor and hosting costs.
- 3.10 The migration of the website from the former software hosting provider to Jadu's own hosting managed platform had an estimated cost of £175k. This work came in over budget at £208k. This was due to a number of factors:
- 3.10.1 The software deployment costs came in higher than estimated due to the Directories Manager solution that was hosted in the previous providers platform and needed to be migrated to a new environment. Although this work was originally identified as part of the project, this work was a lot more complex than originally estimated which added extra time and cost to the project.
 - 3.10.2 The website needed a range of custom developments to be recreated and migrated to the new Jadu software. After a series of investigation activities, the Website Team asked if this work could be completed to keep the custom development components that were previously created in the old platform to be migrated to the new platform. This was agreed and implemented as an extra cost to the project and avoided any loss of customer functionality.
 - 3.10.3 As part of the website redesign and upgrade, the project team were also tasked to undertake a short options appraisal for any potential website phase 2 initiatives. This work was undertaken with the help of BT at an extra cost to the project which is referenced in section 4.1 of this report.
- 3.11 The overall project combining both elements have resulted in an underspend value of £270k for capital and £30k for revenue.

Scheme Objectives:

- 3.12 The objectives of the scheme were to:
- Upgrade the Council's Customer Relationship Management System (CRM) to the Jadu CXM system on the outcome of the BT options appraisal and recommendation review report.
 - Redesign and upgrade the public facing website technology due to the visually and technically tired design templates.
 - Migrate the website technology from the former software hosting provider to Jadu's own hosting managed platform.

Scheme Outcomes & Assessment of Success:

- 3.13 All three objectives of the scheme were successfully met. The upgraded systems contribute effectively to the Council's customer service provision and have supported significant increases in online contact since the Covid pandemic and have been extended to wider use across the organisation.
- 3.14 Since going live with the CXM technology, service areas have taken advantage of the case management system and delivered efficient processing through the technology. A few examples of service area use:
- I. Public Protection for logging of customer cases which are integrated into the back-office system.
 - II. Education services for the 'education gateway' process which has greatly improved their forms processing.
 - III. Housing services for the 'Home for Ukraine' scheme and booking visits for hosts and guests.
 - IV. Churchill Court staff visits booking system.

- 3.15 The website redesign and upgrade has seen a vast improvement in functionality and is visually more appealing when searching and navigating through the site. The new Jadu Photon platform also provides an improved underlying structure for the Bromley website, which addresses some recently introduced accessibility requirements that the previous version of the platform was unable to address.
- 3.16 The successful migration of the hosting solution to Jadu has also achieved the following:
- Cost reduction in both the running cost of the hosting contract and an efficiency for routine patching as less in-house resources are now required to patch the solution which is part of Jadu's contractual obligations.
 - Less downtime for the site, with an enhanced resiliency level and fewer large upgrades required.
 - Enhanced security with a DDOS (Distributed Denial of Service) mitigation package. As websites are increasingly a target for malicious activity the DDoS mitigation solution helps to deter hacking and other forms of attack by detecting and blocking threats.
 - By moving to Jadu's hosted platform, this also favoured the Council's IT strategy which states where possible, vendor hosted solutions should be used.

Outstanding Issues:

- 3.17 There are no outstanding issues arising from this scheme. However, as part of the ongoing work to evolve and manage the website, the contractor will be utilising the search tool and reviewing other optimisation activities, continuing to improve the search functionality, and reviewing site content as part of the twice-yearly review that takes place.

End of closure report.

4. WEBSITE SELF-SERVICE FUNCTIONALITY AND MY BROMLEY ACCOUNT PHASE 2 PROPOSAL COMMENTRY

- 4.1 As reported to Members at Executive in September 2021 (Report No CSD21097), the project team were also tasked to consider future options (phase 2) of the project once the redesign work had been completed. To conduct this analysis, the project team worked alongside BT to consider if and how the current Jadu My Account technology could be utilised to provide a one touch digital access point for customers to conduct their business with the Council.
- 4.2 The outcome of this analysis highlighted that the Jadu My Account technology could be used to further enhance the customers experience when conducting business with the Council. Jadu's My Account technology has the ability for residents to have a broader more personalised view of their services and online interactions with the Council. There is also the ability to self-serve and track many key functions from a single homepage. Essentially, creating a one-stop-shop area for residents and customers to save & return forms, including tracking form progress, and to be presented with key geographical items of information within their local area such as events and news items.
- 4.3 As part of this analysis work, other key website enhancements were identified including the use of 'single sign on' for other Council portals. This would enable a single login credential to be able to gain access to multiple services/platforms in one place. The advantages of this would draw more customers to the Council's online offering and reduce traditional methods of expensive contact with the Council. This has been successfully deployed in other Councils using the Jadu My Account.
- 4.4 Following the phase 2 BT analysis work, the Customer Services Delivery Partner (Liberata) were tasked to review the outcome of this analysis and review each of the phase 2 initiatives in more detail.

4.5 Liberata have since developed a proposal for the Council to consider. In summary, the following key areas have been identified by Liberata for the Council to improve their online offering further for Bromley residents and customers:

My Bromley Account Development:

- 4.6 The current 'My Bromley Account' portal sits outside of the main Jadu website on Capita's OneDigital technology and focusses mainly on the Council Tax and Benefits service. The aim of this initiative is to develop the 'My Bromley Account' to present a wider, unified view of all customer transactions and business with the Council, not solely focussing on the Council Tax and Benefits service.
- 4.7 Due to the already invested benefits of Jadu CXM, the proposal also enables a connection between the case management software and the Jadu portal technology to allow two-way updates to be sent from the customer to the service and back for form updates. This advantage would allow the customer to be able to interact online via our forms software and receive updates from the service areas rather than having to phone or email the Council for an update on a service request.
- 4.8 Bromley's online provision is not just delivered through the Jadu website and Capita OneDigital portal, but also has a number of third-party sub-sites, providing specialist online functionality. Some of these sites deliver functionality for high volume, popular services, such as waste services, parking, and reporting street problems. Therefore, the ability to bring back data from these other third-party sites and portals into the Jadu pages would be hugely beneficial. This workstream would be subject to further requirements discussions with the individual providers and does not form part of this report recommendation.
- 4.9 Key Deliverables to the proposal:
- Development of the Jadu My Account
 - Integration with the Capita My Bromley Account
 - Online form status, feedback, and updates
 - Holistic and personalised view of services
 - Ability to self service via My Account home page

Develop Single Sign On:

- 4.10 As mentioned above, the Council's online provision is not just delivered through the core website, but also through a number of third-party sub-sites. Each of these individual sub-sites generally have their own customer registration system which requires a separate registration login and password for each site. The principle aim of this initiative is to integrate the main high hitting customer sub-sites to a single sign on solution which allows the customer to use one set of login credentials. Through the My Account technology, the customer would be able to see and access their accounts in one place reducing the need to remember various login credentials and time-consuming password resets.
- 4.11 The benefits of achieving a single sign on solution are:
- Streamlines and enhances digital customer experience.
 - It saves time and costs from automation, integration, and password resets.
 - Improves and increases customer interactions with the Bromley website.
 - Simplifies integration with back-office teams and joins up access to services.
- 4.12 As part of this exercise to make the Jadu My Account the new one-touch digital portal on the website, the first stage is a single-sign on solution to be enabled between the current Capita My Bromley Account portal and the new Jadu My Account. Once the accounts have been migrated, the customer will likely be required to reset their password as a security requirement before accessing their new My Account.

This would allow the two accounts to become connected and the customer to have a seamless experience for any future logins.

Broaden Personalisation:

- 4.13 In order to encourage customers to return to the My Account and keep using it for transactional purposes, the Council could adopt a range of personalisation options to keep the customer up to date with relevant information personalised to them and their address.
- 4.14 The benefits of achieving a personalised My Account:
- Implementing geographical informational maps that centre around the customers address presenting the customer with a tailored view to their relevant information such as events, news, local interests, bin collection information.
 - Presenting a customer's log in page with their recent form and service requests. The customer can view progress of service requests without having to contact the Council.
 - Assisted pre-filled forms for address and contact details. Allowing the customer to return to a previously part-completed form.
 - Promotional reminders and broadcasting of messages.
 - Available 24/7.

Digitally Excluded Customers:

- 4.15 It is important to note that traditional methods of contact with the Council such as telephone or face to face reception services will remain in place for those customers who need to interact in this manner. Traditional methods of contact will not be affected by this enhancement to web services.
- 4.16 Further to this, support for customers wishing to learn to use online services is available by visiting the Civic Centre Reception which provides devices for customer use and guidance by staff members if requested. The Civic Centre also supports a free Wi-Fi service for customers who prefer to use their own devices, and staff are available to assist them. These facilities will be transferred to the new building. Similarly, the Bromley library service also have computers for customers to use onsite and the library service also supports and delivers digital skills training for residents.

5. SUMMARY OF BUSINESS CASE

- 5.1 To summarise the above, the project will include:
- 5.2 Development of the My Bromley Account registration portal to widen its focus to include all Council services where possible. The project will also improve functionality of the website, by enabling form auto-filling, the ability to save and return to incomplete online forms and tracking, so customers can self-serve progress updates on service requests that they have submitted.
- 5.3 The introduction of single sign on opportunities with the most visited Council sites and subsites. This will unify the Council's various online registration systems and result in customers' only needing to remember one set of login details to access all Bromley Council services, subject to further requirements with providers and costings.
- 5.4 Personalisation of the website pages to improve customer experience. This will make self-service of information easier and quicker, reduce user journeys and give the ability to display focussed alerts and reminders in the webpages.
- 5.5 Procurement implications are set out in section 10 of the report.

5.6 Estimated costs of the project are set out in appendix 1 of the Part 2 report.

6. OPTIONS APPRAISAL

6.1 It is important to note that this is a complex technical project which requires multiple agencies working collaboratively, therefore it is proposed that there will be a phased approach to delivery as outlined below.

OPTION 1 - (PHASE 2A):

6.2 Agree to implement the Liberata proposal which includes:

6.3 The implementation of the Jadu My Account technology and development of the single sign on with the current My Bromley Account also known as the Council Tax & Benefits portal.

6.4 As well as unifying the sign-on between the Jadu and Capita Portals, this will result in moving the existing My Bromley Account, along with the current account holders from Capita onto the Jadu platform. This process will turn on the Jadu MyAccount feature, which is essential to facilitate further development of personalisation of the website and open the way for the My Bromley Account to embrace a wider range of services.

6.5 Phase 2A will deliver the minimum viable product and importantly provides the necessary technical platform to pave the way for any future developments and enhancements.

OPTION 2 - (PHASE 2A & 2B):

6.6 Agree to implement the Liberata proposal for phase 2A and 2B which includes:

6.7 After completion of Phase 2A, further development of personalisation to the new My Bromley Account. This will include implementing single signs-ons between the Fix My Street and Waste Works portals and the development of generic tools so the web team can apply personalisation features on relevant pages across the website.

6.8 The outlined phased approach allows the Project Team, the Assistant Director of Customer Services and the Director of Human Resources, Customer Services and Public Affairs to agree and approve that the next phase of the project can be progressed in a gateway fashion by assessing the risk and remaining budget of the project before proceeding to the next stage.

OPTION 3:

6.9 Do nothing and return the capital receipts. This will result in no future development to the My Account features on the website.

PREFERRED OPTION

6.10 Option 2 (A&B) is the recommended option as this will allow all of the benefits specified in section 4 of this report. This option will also be overseen by the Assistant Director of Customer Services and the Director of Human Resources, Customer Services and Public Affairs who will agree that the next phase of the project can be progressed in a gateway fashion by assessing the risk and remaining budget of the project before proceeding to the next stage.

7. MARKET CONSIDERATIONS / IMPACT ON LOCAL ECONOMY

- 7.1 The Jadu solution has already been invested in by the Council and is the main system for website content management, forms, and payments. In order to proceed with the My Account activities, the Council would need to invest further into Jadu's available software. Therefore, approaching the market is inappropriate as the additional software cannot be fulfilled by other providers.
- 7.2 Market research has been conducted for other Local Authorities that have developed their Jadu My Account. This includes:
- 7.3 Cherwell Council: The Council have implemented the same approach that Bromley would undertake to create a single sign-on between the Capita technology and the Jadu technology allowing a seamless experience between both accounts.
- 7.4 Broxbourne Borough Council: The Council has seen an increase in digital service uptake since implementing My Account. The platform has enabled the Council to provide 24/7 services to residents, with accessible and easy-to-use digital services. Residents can access services such as Council tax payments, report missed bin collections, and book appointments with the Council via the My Account platform.
- 7.5 Swindon Borough Council: The Council has digitised over 60 processes across 20 service areas using Jadu My Account. The platform has enabled residents to access digital services at their convenience, reducing the need for phone or in-person inquiries. As a result, the Council has seen a significant increase in online transactions.
- 7.6 Harrow Council: The Council has implemented a hyperlocal personalization widget to provide targeted and contextual information to visitors based on their location and behaviour. The platform has enabled the Council to tailor content and services to individual users, providing a personalised experience that increases engagement and satisfaction.
- 7.7 Birmingham City Council: The city's My Account service, known as BRUM Account, has over 500,000 registered users. BRUM Account allows residents to access a wide range of services, including Council tax payments, waste collection calendars, and benefits applications. The platform has been instrumental in driving channel shift, with over 90% of benefits applications now completed online.

8. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES

- 8.1 The My Bromley account currently holds 139k accounts with 46,177 subscribers to e-billing, reducing paper production and postal service reliance. Officers continue to work with Liberata on projects to increase back-office automation and further reduce paper volumes.

9. STAKEHOLDER ENGAGEMENT

- 9.1 The Customer Services Provider, Liberata, have been in consultation with the Customer Services department and the LBB IT Team to work through the details of the proposal. LBB IT have verified the Liberata proposal and given approval to proceed. Please refer to section 13 of this report for further IT comments.
- 9.2 The Information Management Team have been consulted on the project and the GDPR implications have been listed in section of 13 of this report.
- 9.3 The LBB Revenue & Benefits Team have been consulted on this project.

- 9.4 The Environmental Services lead for Fix My Street and Waste Works has been consulted on the project. Further details will be reviewed and discussed with the service leads at the relevant stage in the project.
- 9.5 The Digital Transformation Board and Chief Officers have both separately been consulted on the Liberata proposal and a presentation was shared for discussion and approval to proceed to Member decision.

10. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

- 10.1 Total cost estimates for the project are set out in appendix 1 of the Part 2 report.
- 10.2 The Liberata proposal will be approved through the Council's existing provider CCN process under the Exchequer Services contract.
- 10.3 As documented in the Liberata proposal, there are several one-off costs that have been obtained from our existing suppliers Jadu, Capita and Society Works as set out in appendix 1 of the Part 2 report. In order to move forward with the proposals, approval is required for delegated authority to the Assistant Director of Customer Services to spend the £270K budget. This will include the purchase of technology and the setting up of any ongoing support contracts which will be procured through a compliant route under multiple contract variation agreements with the existing technology providers for the provision of additional services as part of the existing solution and contracts.
- 10.4 As mentioned in 10.3, quotes have been obtained from Jadu, Capita and Society Works in order for the Liberata proposal to be created. Identified in these quotes are annual support fees for the Jadu and Capita developments which can be met from existing Customer Services revenue budgets. Further information on the cost of both annual support fees is set out in appendix 1 of the Part 2 report.

Proposed Contract Period:

- 10.5 Further details of accurate project timeframes will be determined once the project has been initiated and the suppliers can give accurate resourcing dates. However, phase 2A and 2B are collectively estimated to take up to one year from project set up, further scoping, implementation, and delivery of services.
- 10.6 Contract lengths for the technology will be determined to support the existing solution contracts that are already in place with the providers.

Governance Arrangements

- 10.7 Liberata are leading on the project on behalf of Bromley and will be delivering the project management for both phases. A project management representative from LBB Customer Services will work alongside Liberata and will ensure the relevant service leads such as LBB IT, Information Management/GDPR team, Revenue & Benefits service and Environmental Services are invited to Project Board meetings and included in the governance arrangements.
- 10.8 The Assistant Director of Customer Services will be the Project Sponsor and overall decision maker for the project.

11. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN) AND CUSTOMER IMPACT

- 11.1 Currently the Council receives annually 2,000 visitors, 350,000 phone calls, 20,000 e-mails, 8 million web visits and 139,000 My Bromley Account holders. There are over 6,000 pages of information on

Bromley's website with over 260 transactional forms generating around 10,000 service requests per month. 60% of Bromley's customers visit the site using a mobile phone or tablet. With 53% of visitors arriving at the website from search engines, usually directly to the page that interests them via an internet search engine.

- 11.2 During the Covid-19 first and second lockdown the Council has seen a significant increase in customers accessing the website. Pre-Covid, the Council received 4.5 million web visits annually, and post-Covid this number nearly doubled. This data shows that a large majority of customer contact is via online services which highlights the importance of keeping online services relevant and up to date for Bromley's customers.
- 11.3 The Council has also seen a shift in the way that customers want to interact with the Council with nearly 60% of customer contact via digital channels and 40% via traditional channels such as face to face and telephony services, measured from services managed by Customer Services. This continued shift in customer interaction shows an important trend in the way that residents want information and contact with the Council. Customer Services and the Service Delivery Partner are continuing to develop this favoured way of contact which has led to the realisation of benefits and channel shift savings as set out in the Exchequer Services contract.
- 11.4 To support vulnerable residents, services such as face-face reception services and Contact Centre phone operations will still be provided as normal and will not be affected by this enhancement to web services.
- 11.5 Further to this, support for customers wishing to learn to use online services is available by visiting the Civic Centre Reception which provides devices for customer use and guidance by staff members if requested. The Civic Centre also supports a free Wi-Fi service for customers who prefer to use their own devices, and staff are available to assist them. These facilities will be transferred to the new building. Similarly, the Bromley library service also have computers for customers to use onsite and the library service also supports and delivers digital skills training for residents.
- 11.6 This project will not impact vulnerable adults or children because other traditional methods of contact with the Council such as telephone or face to face services will still be in place and provided for those who wish or need to interact in this manner.

12. TRANSFORMATION/POLICY IMPLICATIONS

- 12.1 The Digital Board and Chief Officers have both separately been consulted on the Liberata proposal and a presentation was presented for approval to proceed to Member decision.
- 12.2 This project aligns with the following making Bromley Even Better values:
- To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
 - Exploit the benefits of digitalisation.
 - Effectively manage the collection of Council Tax and Business Rates.
 - Commission services intelligently and integrate services where it makes sense to do so.
 - Explore and implement innovation in service delivery and design.
- 12.3 This project also aligns to the following Transformation objectives:
- Effective resident engagement.
 - Flexibility, independence, and choice in service delivery.

13. IT AND GDPR CONSIDERATIONS

- 13.1 The project team have worked closely with the LBB D&IT service, and it's understood that the systems affected by the proposed changes are hosted with the vendors (Jadu, Capita) and there is little to no direct interaction with the LBB IT supported infrastructure.
- 13.2 It should be noted there are several other large IT oriented projects underway within LBB at present that are demanding significant resource time from the D&IT service. This may have implications on IT projects being undertaken as key resources may have less availability to support services and it may therefore be necessary to consider additional resources to be brought in to provide IT support for the project.
- 13.3 The Council, as part of its on-going commitment and sustaining a progressive approach to data protection and information management, requires the following be considered and evidenced:
- All systems hosted by the provider or their subcontractors, and used to access, store and facilitate the migration of Council data must have adequate information security and management tools and processes in place.
 - Providers must be able to evidence adequate compliance of the Data Protection Act 2018 and UK GDPR including, but not limited to; policies, training, register of processing activities and the appointment of a data protection officer where required.
 - Contractually SLA's must be agreed to for breach notification and reporting.
 - Data Sovereignty – providers that use hosted or cloud-based services must ensure they are in UK Data Centres.
 - Exit strategy: explicit determination of what happens to the information collected and stored by providers after the contract finishes must be identified, documented and actioned as appropriate.
- 13.4 Although the information being processed is not changing, it would be advantageous that the Council revisits the data protection impact assessment to ensure that any subsequent is undertaken following privacy by design and be default principles.

14. STRATEGIC PROPERTY CONSIDERATIONS

- 14.1 Not applicable.

15. PROCUREMENT CONSIDERATIONS

- 15.1 The report seeks variations to include the purchase of technology and the setting up of any ongoing support contracts with the existing technology providers for the provision of additional services as part of the existing solution and contracts.
- 15.2 Any Procurements arising from this should follow the appropriate process in conjunction with the Council's Contract Procedure Rules
- 15.3 Following Approval, the variation must be applied via a suitable Change Control Notice, or similar, agreed with the Providers.
- 15.4 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.

16. FINANCIAL CONSIDERATIONS

- 16.1 The report requests approval to utilise the remaining £270k capital budget from the Customer Services IT System replacement project to fund Phase Website Enhancement project.

16.2 The preferred option, is option 2, which encompasses Phase 2A and 2B. This option will be overseen by the Assistant Director of Customer Services and the Director of Human Resources, Customer Services and Public Affairs who will agree that the next phase of the project can be progressed in a gateway report by assessing the risk and remaining budget of the project before proceeding to the next stage.

16.3 There is sufficient remaining budget within the capital programme to fund Option 2 as detailed in section 6.6 of the report, with a small ongoing revenue cost for annual support fees of £7.5k that can be met within existing budgets.

17. PERSONNEL CONSIDERATIONS

17.1 Not applicable.

18. LEGAL CONSIDERATIONS

18.1 This report requests Members approve expenditure of £270k to fund the complimentary Phase 2 website 'My Account' enhancement initiatives and to purchase technology and setting up of any ongoing support contracts as detailed in Appendix 1 of the Part 2 report.

18.2 This spend will be made through change control notices and variation procedures with existing technology providers for the provision of additional services as part of the existing solution and contract. There are therefore no material changes to the contracts but permitted changes under the contracts that can be made in accord with procurement law and practice.

19. IMPACT ON HEALTH AND WELLBEING

19.1 Not applicable.

20. WARD COUNCILLOR VIEWS

20.1 Not applicable.

Non-Applicable Headings:	Strategic Property Considerations Personnel Considerations Impact on Health and Wellbeing Ward Councilor Views
Background Documents: (Access via Contact Officer)	N/A

Report No.
ACH24-027

London Borough of Bromley

PART ONE – PUBLIC

Decision Maker: EXECUTIVE

20th May 2024

With pre-decision scrutiny from Executive, Resources & Contracts Policy Development and Scrutiny Committee on 20th May 2024

Decision Type: Non-Urgent Executive Key

Title: GATEWAY REPORT FOR THE PROCEED TO PROCUREMENT FOR A SPECIALIST STOP SMOKING SERVICE

Contact Officer: Gillian Fiumicelli, Head of Disease Prevention
Tel: 020 8461 7789 E-mail: gillian.fiumicelli@bromley.gov.uk

Chief Officer: Dr Nada Lemic, Director of Public Health

Ward: All

1. REASON FOR REPORT

- 1.1 This report outlines the proposed procurement for a Specialist Stop Smoking Service for individuals in Bromley who require support to quit smoking. Permission is sought to commence the procurement of the Service in accordance with the arrangements set out in this report to commence the Service on 1st April 2025. Contracts with a whole life value of £1m and above require Executive approval prior to proceeding to procurement.
- 1.2 A pilot project, Smokefree Bromley, is currently being delivered by Solutions4Health. This contract went live on 1st January and is due to end 31st December 2024 with expected extension to 31st March 2025.
- 1.3 It is proposed this service will be funded jointly from the substantive Public Health grant plus the ring-fenced Stop Smoking Grant from the Department of Health and Social Care (DHSC). The DHSC Stop Smoking Grant is available annually until March 2029. The ring-fenced Stop Smoking grant allocation is reassessed annually in accordance with estimated smoking prevalence rates in LBB. Therefore, authorisation is sought to design a service with a degree of flexibility to enable Chief Officer approval of subsequent variation to the scope and value of the Smoking Cessation Service contract in line with the requirements of the grant.

2. RECOMMENDATION(S)

2.1 **Executive, Resources & Contracts Policy Development and Scrutiny Committee** are asked to review and provide any comment prior to the report proceeding to Executive for decision.

2.2 Executive is recommended to:

- i. Approve the commencement of a tender process for a Specialist Stop Smoking Service for a four year contract commencing 1st April 2025, at an estimated annual value of £472,889 (estimated whole life value of £1,891,556).
- ii. Note that the proposed annual contract value is made up from £200k from the substantive Public Health Grant together with approximately £272,889 DHSC ring fenced annual grant until 2029 which will be adjusted on an annual basis according to Bromley's estimated smoking prevalence
- iii. Approve delegated authority to Chief Officer in consultation with the Portfolio Holder to draw down and authorise the annual allocation of the DSHC Stop Smoking Grant for the life of the contract and to vary the scope and value of the contract accordingly subject to the grant conditions specified by the DHSC.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Public Health Grants and Contracts benefit vulnerable adults
-

Transformation Policy

1. Policy Status: Existing Policy: Policy Paper, Stopping the Start: our new plan to create a smokefree generation, DHSC Nov 2023
 2. Making Bromley Even Better Priority
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence, and making choices.
 - (4) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
-

Financial

1. Cost of proposal: Whole life value £1,891,556 (Estimated) (£472,889 per annum). Due to the possible variation in amount of the ring-fenced grant to be provided each year this amount may change each year. However, is not expected to be significantly different due to low estimated starting prevalence set by OHID (Office for Health Improvement and Disparities).
 2. Ongoing costs: Baseline of £200k per annum from the Public Health grant (with additional grant uplift if available, once ring fenced grant is finished).
 3. Budget head/performance centre: Nada Lemic, Public Health
 4. Total current budget for this head: £1,922k per annum
 5. Source of funding: Two sources of funding until March 2029, the Public Health Grant and Department of Health and Social Care (DHSC) ring fenced stop smoking grant of approximately £272,889 per annum
-

Personnel

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

Legal

1. Legal Requirement: Non-Statutory - Government Guidance [Local stop smoking services and support: guidance for local authorities - GOV.UK \(www.gov.uk\)](#) Policy Paper, Stopping the Start: our new plan to create a smokefree generation, DHSC Nov 2023 [Stopping the start: our new plan to create a smokefree generation - GOV.UK \(www.gov.uk\)](#)
 2. Call-in: Applicable:
-

Procurement

1. The procurement will be carried out using the Competitive Procedure allowed for within the Health Care Services (Provider Selection Regime) 2023 ('the Regulations'). The Contract will be awarded to a single provider
-

Property

1. Summary of Property Implications: None

Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:
A Specialist Smoking Cessation Service will benefit individuals, communities, and the environment.

Impact on the Local Economy

1. Summary of Local Economy Implications:
A Specialist Smoking Cessation Service will reduce the burden on social care. It will ease the pressure on the NHS. Locally, productivity will be increased, and absenteeism reduced. The health of the local community and the workforce will be improved and there is the potential for the Council to reduce expenditure on adult social care.

Impact on Health and Wellbeing

1. Summary of Health and Well Being Implications: Smoking kills. It causes disability and death throughout the life course. It causes many cancers and accelerates heart disease (the biggest single cause of deaths overall). Non-smokers including children are exposed to the risks of second-hand smoke. Reducing the number of people in Bromley who smoke will have a direct impact on the health and wellbeing of residents and help them to live longer more productive lives where they can contribute directly to the local economy and community.

Customer Impact

1. Estimated number of users or customers (current and projected): This service will be available to all smokers in Bromley which is estimated to be 19,200. However, it is recognised that not all will require the service of a Specialist Stop Smoking Service. An estimated 2000 people per year will engage with the service with an estimated 40% (800) successfully quitting at 4 weeks per year.

Ward Councillor Views

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

3. COMMENTARY

- 3.1 The Government has made a reduction in the initiation of smoking a key priority, through the publication of the policy paper 'Stopping the start: our new plan to create a smokefree generation' in October 2023 [Stopping the start: our new plan to create a smokefree generation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/stopping-the-start-our-new-plan-to-create-a-smokefree-generation). The document lays out a route to prevent addiction to smoking before it starts, to support smokers to quit and to stop vapes being marketed to children. This procurement is part of that initiative and aligns fully with the public good this seeks to achieve and has been made possible by the grant that accompanies this policy.
- 3.2 South East London Integrated Care System (SEL ICS) has recognised the value of stopping smoking in preventing disease and ensuring health by including smoking as one of South East London's 'Vital Five' population health priorities, discussed in the SEL ICS strategic priorities [Integrated Care Strategic Priorities for 2023-28 \(selondonics.org\)](https://www.selondonics.org/)
- 3.3 Furthermore, this service meets the council's corporate strategy objective of 'Making Bromley Even Better', specifically under Ambition 2 where smoking amongst Bromley residents is mentioned as point of focus. According to the strategy the prevalence of smoking in Bromley is 14%, around the average for London and just below national rates. The service also contributes directly to the Health and Wellbeing Strategy 2024-2029, namely Priority 2 Improving health and wellbeing of adults, and Priority 3 Disease prevention and helping people to stay well.

Summary of Business Case

- 3.4 A pilot Stop Smoking Service, Smokefree Bromley, went live in January 2024. The pilot service was funded through the DHSC ring-fenced grant and the Public Health Grant.
- 3.5 The pilot Stop Smoking Service is ensuring readiness across the health and care system for the comprehensive Stop Smoking Service.
- 3.6 The DHSC ring-fenced grant is available for 5 years from April 2024 to March 2029. It is based on annual estimated smoking prevalence. The grant allocation will be reassessed annually to reflect estimated smoking prevalence rates.
- 3.7 The estimated smoking prevalence by DHSC for Bromley in 2024/2025 was 6%. This may be an underestimation of smoking prevalence in Bromley which was assessed to be 11.9% in 2022-23 according to Quality Outcome Framework data from General Practice (GP). Data sources will be examined during 2024-25 to support this commissioning exercise to increase understanding of the smoking population in Bromley and share this information with DHSC.

Service Profile / Data Analysis / Specification

- 3.8 Full design and specification of the service will be based on standards and guidance from both National Institute of Health and Care Excellence (NICE), and National Centre for Smoking Cessation and Training (NCSCT) for the provision of a specialist stop smoking service. It will also build upon the successes and learning generated during the Stop Smoking Pilot currently in place since January 2024 but is expected to be more comprehensive. The service model will be tailored to meet Bromley's needs, through stakeholder and resident engagement.
- 3.9 The aims of the Specialist Stop Smoking Service will include the following:

- To stimulate more quit attempts by providing more smokers with advice and swift support
- To link smokers to the most effective interventions to quit
- To encourage the use of behavioural support schemes designed to encourage smokers to quit
- To build capacity through partnership work and using a Making Every Contact Count/very brief advice approach
- To strengthen partnerships across the healthcare systems and support all healthcare professionals to talk to patients about smoking cessation.
- Utilise resources from complimentary funding streams to boost capacity e.g. Swap to stop scheme which provides vape starter kits funded separately by DHSC (Two year scheme)

3.10 The Specialist Stop Smoking Service will include specialist behavioural support plus provision of appropriate medication to address nicotine addiction, e.g., nicotine replacement therapy (NRT), prescription medication and/or starter kits for vaping. This combination of behavioural support and medication is supported by evidence as the most effective method to quit smoking. Behavioural support should be available via a variety of methods to suit the client. This is expected to include face to face or digital options.

3.11 The service will be expected to advertise its service widely particularly targeting populations with higher rates of smoking. The service will be expected to work closely with the NHS, care, and voluntary sector to ensure appropriate accessibility and pathways are available into the service and that appropriate client management is enabled. Self-referral for residents into the service should also be available to maximise accessibility. The service is expected to act as an expert resource in Bromley through the provision of training.

3.12 The service will make use of innovation to promote smoking cessation and the use of digital applications to support smoking cessation interventions. Social media will be used to promote the service and ensure a greater reach.

3.13 Performance of the service will be assessed against key performance indicators reported to the Commissioner as part of regular contract monitoring. It is an expectation that the service will submit data on numbers of successful quitters to NHS Digital for national monitoring and evaluation. The service will work with partners to ensure data collection and submission is comprehensive. It will align with existing monitoring standards and indicators to ensure best practice and allow for comparison across the system.

3.14 Service outcomes will include the following data set against Key Performance Indicators based on the national Russell standard for expected outcomes for stop smoking services:

- Total number of individuals referred into the service
- Total number of individuals setting a quit date
- Total number who have successfully quit (not smoking from days 15 to 28 following the quit date)
- Total number who have successfully quit at 12 weeks
- Total number who did not quit
- Further breakdown of data by population group will also be included to ensure those at highest risk and in population groups with higher levels of smoking are engaging with the service.
- Method of quitting will be measured to compare numbers using Nicotine replacement therapy, medication, or vape starter kit or a combination of these.

Service outcomes will be monitored quarterly for the duration of the contract.

3.15 DHSC has modelled the following projections for Bromley however this will not be performance managed and is a guide for local authorities. The numbers are for those people who set quit

dates. However, this is for guidance only for the government to achieve its smokefree aim. These figures will not be performance monitored by DHSC.

National Goal Increase	Smoking Population Proportion	1 Year figure (Goal*Smoking Proportion)	5 Year Figure	Y1 (25%) Increase	Y2 (50%) Increase	Y3 (125%) Increase	Y4 (150%) Increase	Y5 (150%) Increase
193,908	0.390%	1,403	7,017	351	702	1,754	2,105	2,105

3.16 The service specification will include expected number of people setting quit dates and those who have quit.

Options Appraisal

3.17 Options for commissioning include:

Option 1. Do nothing and do not commission a stop smoking service.

This would be detrimental to the health of Bromley residents and adverse costs of smoking to the Bromley economy. The DHSC funding would need to be returned as Bromley would not be deemed to have complied with the ring-fenced grant conditions.

Option 2. Commission a Specialist Stop Smoking Service.

This would provide a much-needed service for people in Bromley, who are addicted to nicotine and need support to stop smoking. It would meet wider council objectives for enhancing the health and wellbeing of residents. The service would be commissioned for 4 years which would cover the length of time the additional ring-fenced grant is available.

Preferred Option

3.18 Option 2 is recommended to procure a Specialist Stop Smoking Service that is based on local need and evidence of effectiveness, also ensuing best value for Bromley.

Costing options

3.19 There are several options for costing models by which the Specialist Stop Smoking Service could be commissioned.

No.	Costing option	Impact
1.	Block Funding Only	Provides security for the Provider however does not allow flexibility for variation in the budget, or financial reward for good performance
2.	Block funding plus element of incentive payments for achievement of targets	Provides security for the Provider and financial reward for good performance. However, this model does not provide flexibility of scope of service to manage variations in the budget
3.	Part block funding, part cost and volume (payment by results) funding	Less security for the Provider so a realistic block figure should be offered to attract potential bidders. However, this model would provide flexibility to vary the target of the cost and volume element, according to the variation in available budget. A unit price per quitter would be set based on KPI's set.
4.	All Cost and Volume	This would be unattractive to Providers as there would be no financial security to cover their overheads. Likely to put off potential bidders.

3.20 The recommendation for the costing model would be Option 3, to part block fund and part cost and volume. It is proposed that the block contract would form at least two thirds of the budget to be attractive to potential providers. Above that, payment would be made on an agreed unit price per participant to allow for flexibility to set different target number of quitters dependent on the budget available each year.

4. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

4.1 Estimated Value of Proposed Action:

Value for 4 years (estimated): £1,891,556 (£472,889 per annum).

4.2 Other Associated Costs: None

4.3 Proposed Contract Period: Four Years commencing 1st April 2025 to 31st March 2029,

4.4 Procurement Strategy:

4.4.1 The procurement will be carried out using the Competitive Procedure allowed for within the Health Care Services (Provider Selection Regime) 2023 ('the Regulations'). The Contract will be awarded to a single provider

4.4.2 A two stage process utilising the criteria set out in the Regulations will be used:

Basic Criteria:

1.	Ability to pursue a particular activity
2.	Economic and Financial Standing
3.	Technical and Professional Ability

Key Criteria:

1.	Quality and Innovation
2.	Value
3.	Integration, Collaboration and Service Sustainability
4.	Improving Access, Reducing Health Inequalities, and Facilitating Choice
5.	Social Value

4.4.3 A timetable for the procurement is set out below:

Stage	Target Dates
Issue Tender Documents	
Return Date for Return of completed tenders	
Evaluation of Submissions	
Executive Decision	
Contract Award	
Mobilisation	
Contract Commencement	1 st April 2025

4.4.4 To ensure a quality provider is selected, the procurement will include a minimum threshold score of 5 on a 10 point evaluation matrix will be applied to all scores. This will ensure that the successful provider has the relevant experience and knowledge to provide the service.

4.4.5 Evaluation of submitted tenders will be based on 60% price and 40% weighting. Relevant financial checks will be undertaken to ensure financial sustainability.

5. MARKET CONSIDERATIONS / IMPACT ON LOCAL ECONOMY

- 5.1 There are a number of providers in the marketplace which should provide a degree of healthy competition for the delivery of a stop smoking service in Bromley.
- 5.2 The Public Health Department will work with potential providers partners and key stakeholders in a market engagement exercise to ensure a robust and competitive procurement process.
- 5.3 A provider who has knowledge of LBB and/or the South East London Integrated Commissioning Board would be welcomed.
- 5.4 Across England, smoking places a significant burden on the NHS and social care sector, estimated to be £1.9 billion and £1.1 billion respectively. In 2019/20 alone, an estimated 448,031 NHS hospital admissions were attributable to smoking. Each month, up to 75,000 GP appointments can be attributed to smoking, which is equivalent to over 100 appointments every hour. Smoking increases the burden on social care, as smokers need care on average 10 years earlier than they would otherwise have. Economically, estimates suggest that the total costs of smoking in England are over £17 billion. This includes a £14 billion loss to productivity per year through smoking related lost earnings, unemployment, and early death. Smokers have an absenteeism rate 33% higher than non-smokers and take an extra 2.7 sick days per year
- 5.4 In 2022, ASH (Action on Smoking and Health) estimated that smoking costs Bromley £94.1 million annually. This included £72 million in lost productivity, a burden of £13 million on the health service, £7 million on the social care sector, and £1.5 million in fire-related costs. In addition, smoking results in the need to process over 12 tonnes of waste annually, and 5 tonnes discarded as street litter. This all places a significant burden on local authority services. Therefore, successful smoking cessation will not only result in better health outcomes for individuals but will free up significant resources for NHS and council services across Bromley.

6. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES

- 6.1 Smoking cessation services play a crucial role in promoting public health and wellbeing. The social value can be described in the following ways:
- i. Health impact**
 - Reducing tobacco- related diseases
Smoking cessation services help individuals to quit smoking, thereby reducing the incidence of tobacco related diseases such as lung cancer, heart disease and respiratory disorders.
 - Preventing disability and death
By supporting people in quitting smoking, smoking cessation services contribute to preventing disability and premature death caused by tobacco addiction.
 - ii. Economic Impact**
 - Cost saving
Smoking cessation is a cost-effective intervention. By preventing tobacco-related illnesses, it reduces the burden on healthcare systems and saves substantial healthcare costs.
 - Productivity gains
Quitting smoking helps individuals to experience improved health, leading to increased productivity and reduced absenteeism.
 - iii. Community Wellbeing**
 - Smoke Free Environments
A smoking cessation service will advocate for smoke-free environments benefiting not only individuals but the whole community including children.
 - Collaboration and Networking

Partnership work and collaboration creates a supportive, borough wide network for addressing smoking cessation.

- 6.3 Bromley's Health and Wellbeing Strategy aims to achieve real and measurable improvements in the health and wellbeing of residents. A specialist smoking cessation service will contribute to achieving this aim.
- 6.4 To adhere to the LBB Sustainable Procurement Policy, the implications of the Social Value Act 2012 will be included in the service specification and the tender process. This is also a requirement of the Provider Selection Regime. The Council expects its service providers to support Bromley's Net Zero Action Plan with the ambition to be a carbon neutral council by 2027.
- 6.5 The Provider will be expected to be conversant with the key principles of the Social Value Act and consider the environmental, social, and economic implications of delivering this service. The Provider will be expected to comply with all relevant legislation and regulatory requirements.
- 6.6 The following social value outcomes and indicators will be included in the service specification:

Economic outcomes:

REF	OUTCOME	EXPECTATION
EC1	Create and sustain jobs for local people	The Provider will seek to recruit local residents to work in the service where possible and practicable
EC3	Promotion of opportunities to work with social enterprise partnerships, voluntary and community sector organisations and small and medium sized enterprises	The provider of the service

Social outcomes:

REF	OUTCOME	EXPECTATION
S1	Consider equality and diversity in the provision and operation of services including a workforce that is representative of the communities we serve where relevant and proportionate	Equal access to services is essential. Services must be available across the borough and operated by staff that reflect LBB's community. The provider is expected to maximise its digital capital to achieve greater reach without disadvantaging or excluding marginalised communities.
S3	Promote the safeguarding and welfare of children, young people and vulnerable adults	The Provider must have a robust safeguarding policy and procedure for children, young people, and vulnerable adults
S4	Improving the health and wellbeing of local residents including employees	The service will improve the health of local residents.

Environmental outcomes:

REF	OUTCOME	EXPECTATION
EN2	Efficient use of resources by minimising waste	The Provider will provide evidence of minimising waste including recycling policies and their use of digital records and paper free offices where possible

EN3	Reduce energy and fuel consumption in the provision of the service	The Provider will be expected to encourage staff to reduce fuel consumption and to promote sustainable and active travel. Services provided must be accessible by public transport for services The Provider will be committed to improving energy efficiencies in their estates and settings used to deliver the service
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5.8 Social Value will be monitored for the life of the contract period. The impact will be tracked through quality indicators and reviewed at quarterly monitoring meetings.

7. STAKEHOLDER ENGAGEMENT

7.1 A consultation survey to ascertain the views of the public will be undertaken in May and June 2024, to inform the scope of the Specialist Stop Smoking Service.

7.2 The procurement will be also informed by engagement with a wide range of key stakeholders. This will include: commissioners of stop smoking services from other Public Health teams in South East London; our Bromley colleagues engaged in the Bromley Stop Smoking Steering Group from primary care including GP’s, pharmacists, nurses; secondary care including acute respiratory care, maternity and mental health; plus community services including pulmonary rehabilitation and drug and alcohol services; voluntary sector organisations including Bromley Well; members of the Health and Wellbeing Board and the wider health economy.

8. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN) AND CUSTOMER IMPACT

8.1 An impact assessment will be conducted as part of the procurement process.

9. TRANSFORMATION/POLICY IMPLICATIONS

9.1 National policy is driving this procurement. In 2019, the Government announced its ambitious goal for England to become ‘smoke-free’ by 2030. This achievement will be realised when the adult smoking prevalence falls to 5% or less. The commitment to this smoke-free ambition was reiterated in early March 2023. The plan is to prevent addiction to smoking before it starts, support smokers in quitting, and prevent vapes from being marketed to children. The ultimate goal is to create a smoke-free generation that smokes neither cigarettes or vapes. In October 2023, legislation was proposed to prohibit children born on or after January 1st2009, from legally buying cigarettes in England. This measure would effectively raise the smoking age by one year annually until it applies to the entire population.

9.2 This service meets the council’s objectives within ‘Making Bromley Even Better’, specifically under Ambition 2, where smoking amongst Bromley residents is mentioned as point of focus.

9.3 The service contributes directly to two of the three Priorities set out in the Health and Wellbeing Strategy 2024-2029, namely: Priority 2 Improving health and wellbeing of adults; and Priority 3 Disease prevention and helping people to stay well.

9.4 The Public Health team in Bromley will be working closely with Trading Standards, schools, and other partners to support the implementation of these wider policy objectives.

10. IT AND GDPR CONSIDERATIONS

- 10.1 Personal data must be processed in accordance with the requirements of the General Data protection regulation (GDPR) and the UK Data Protection Act 2018.
- 10.2 The Council, as part of its on-going commitment to sustaining a progressive approach to data protection and information management, requires the following to be considered and evidenced:
- Privacy by design and by default – the Council shall undertake a Data Protection Impact Assessment and manage all residual risk
 - The Council must ensure that the contract and any information sharing agreement have robust clauses obligating adequate technical and organisational measures to secure personal information
 - As a data processor, the Provider must support the Council in responding to Freedom of Information and Subject Access requests
 - The Council must ensure that there is an appropriate exist strategy in relation to information retention requirement and transfer with the provider of the pilot service where necessary.

11. STRATEGIC PROPERTY CONSIDERATIONS

- 11.1 There are no property considerations.

12. PROCUREMENT CONSIDERATIONS

- 12.1 This report seeks Approval to proceed to procurement for a Specialist Stop Smoking Service. The Service will commence on 1st April 2025 for a period of four (4) years with an approximate whole life value of £1,891,556 (£472,889 per annum).
- 12.2 As there are no thresholds set out in Health Care Services (Provider Selection Regime) 2023 ('The Regulations'), the procurement will utilise the Competitive Procedure allowed for under the Regulations. Officers must ensure that there is a formal record of the Decision Making process in accordance with the guidance set out in the Regulations.
- 12.3 The Council's specific requirements for authorising proceeding to procurement are covered in 1.3 of the Contract Procedure Rules, with the need to obtain the formal Approval of the Executive following Agreement of the Portfolio Holder, the Chief Officer, the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance for a procurement of this value.
- 12.4 In accordance with Contract Procedure Rule 2.1.2, Officers must take all necessary professional advice.
- 12.5 In compliance with the Council's Contract Procedure Rule 3.6.1, this procurement must be carried out using the Council's nominated e-procurement system.
- 12.6 A Notice for Competitive Tender must be published on the Find A Tender Service to formally advertise the opportunity to potential bidder in accordance with Schedule 8 of the Health Care Services (Provider Selection Regime) 2023.
- 12.7 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.

13. FINANCIAL CONSIDERATIONS

- 13.1 The whole life value will be £1,891,556, over 4 years. The annual contract value will be £472,889 approximately. This figure includes £200K from the substantive Public Health Grant plus the DHSC ring fenced stop smoking grant of approximately £272,889 per annum calculation, adjusted each year according to Bromley's estimated smoking prevalence.

14. PERSONNEL CONSIDERATIONS

- 14.1 There are no personnel implication for the London Borough of Bromley.

15. LEGAL CONSIDERATIONS

- 15.1 The Provider Selection Regime (PSR) governs the Council's responsibility in which health care services are procured. It replaces the light touch regime under the Public Contracts Regulations 2015. The new PSR is set out in the Health Care Services (Provider Selection Regime) Regulations 2023 (the Regulations). The PSR applies to the arrangement of health care and public health services arranged by Relevant Authorities. Furthermore, the implications of the Social Value Act 2012 will be included in the service specification and the tender process to adhere to the LBB Sustainable Procurement Policy, which is also a requirement of the Provider Selection Regime. The Provider will also be expected to be compliant with the principles reflected in the Social Value Act and also to all relevant legislation and regulatory requirements and to also consider the environmental, social, and economic implications of delivering this service.
- 15.2 The Council also has both an implied and a specific power under section 111 of the Local Government Act.1972 to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 15.3 This Report seeks approval from the Executive, Resources & Contracts Policy Development and Scrutiny Committee to review and provide any comment prior to the report proceeding to Executive for decision. This Report also seeks approval from the Executive to approve the commencement of a tender process for a Specialist Stop Smoking Service for a duration of four years commencing 1st April 2025 till 31st March 2029. The estimated whole life value of the Contract amounts to £1,891,556 (over the four years period). The annual value of the Contract amounts to £472,889 (inclusive of the £200k from the substantive Public Health Grant plus the DHSC ring fenced stop smoking grant of approximately £272,889 per annum calculation, adjusted each year according to Bromley's estimated smoking prevalence). Approval is also sought for the approval of delegated authority to the Chief Officer in consultation with the Portfolio Holder to authorise the annual allocation of the DSHC Stop Smoking Grant for the life of the contract and to vary the scope and value of the contract accordingly subject to the grant conditions specified by the DHSC.
- 15.4 In accordance with 3.6.1 of the Council's Contract Procedure Rules, all Officers are required to make use of the Council's eProcurement System when carrying out any Contracting activity which has an estimated value of £5,000 and above, unless otherwise agreed with the Head of Procurement.
- 15.5 Under the Council's Contract Procedure Rules, the Councils requirement for proceeding to Procurement is in accordance to CPR 1.3 where the approval of the Executive following Agreement of the Portfolio Holder, the Chief Officer, the Assistant Director Governance and

Contracts, the Director of Corporate Services and the Director of Finance, must be sought for a Procurement of this value.

15.6 In accordance to the Health Care Services (Provider Selection Regime) 2023 ('The Regulations'), a competitive process will be utilized which involves conducting a competitive process to award the contract. Compliance with defined processes to evidence the decision-making, including record keeping and the publication of transparency notices (i.e via a Notice for Competitive Tender which must be published on the Find A Tender Service to formally advertise the opportunity to a potential bidder in accordance to Schedule 8 of the Regulations) will also need to be adhered to.

15.7 Officers should also ensure they comply with all Grant conditions.

16. IMPACT ON HEALTH AND WELLBEING

16.1 According to the UK Government, tobacco is the single leading preventable cause of mortality, leading to 64,000 deaths in England each year. Up to two-thirds of smokers die of smoking, and those who start smoking as a young adult lose an average of 10 years of life expectancy. Smoking causes around 1 in 4 of all UK cancer deaths, and substantially increases the risk of cardiovascular disease (CVD).

16.2 Furthermore, smoking is one of the most important preventable causes of disparities in health and a significant contributor to the gap in life expectancy. For some conditions, such as lung cancer and severe COPD, smoking is the main driver and for others, such as premature CVD, smoking is a major factor.

16.2 Therefore, reducing the number of people in Bromley who smoke will have a direct impact on the health and wellbeing of residents, in line with the disease prevention ambitions and priorities set out in both 'Making Bromley Even Better' and the Health and Wellbeing Strategy 2024-2029.

17. WARD COUNCILLOR VIEWS

17.1 N/A

Non-Applicable Headings:	Sections 11, 'Strategic Property' and 14 'Personnel Considerations'
Background Documents: (Access via Contact Officer)	

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