

## Renewal and Recreation Budget Monitoring Summary as at 31.03.2014

2012/13 Actuals £'000	Division Service Areas	2013/14 Original Budget £'000	2013/14 Latest Approved £'000	2013/14 Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>R&amp;R PORTFOLIO</b>							
0	<b>Commissioning Fund</b> Commissioning Fund	0	0	0	0	1	0	0
<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
(4)	<b>Housing Strategy &amp; Development</b> Housing Strategy & Development	Cr 18	Cr 16	Cr 16	0	2	0	0
<b>(4)</b>		<b>Cr 18</b>	<b>Cr 16</b>	<b>Cr 16</b>	<b>0</b>		<b>0</b>	<b>0</b>
3	<b>Planning</b> Building Control	Cr 7	1	Cr 23	Cr 24	3	Cr 19	0
(165)	Land Charges	Cr 169	Cr 168	Cr 165	3	4	0	0
939	Planning	582	705	492	Cr 213	5	Cr 155	0
1,240	Renewal	1,127	1,151	1,119	Cr 32	6	Cr 22	0
<b>2,017</b>		<b>1,533</b>	<b>1,689</b>	<b>1,423</b>	<b>Cr 266</b>		<b>Cr 196</b>	<b>0</b>
2,313	<b>Recreation</b> Culture	2,036	2,042	2,029	Cr 13	7	0	0
4,841	Libraries	4,762	4,819	4,882	63	8	100	0
304	Town Centre Management & Business Support	249	251	243	Cr 8	9	0	0
<b>7,458</b>		<b>7,047</b>	<b>7,112</b>	<b>7,154</b>	<b>42</b>		<b>100</b>	<b>0</b>
<b>9,471</b>	<b>Total Controllable R&amp;R Portfolio</b>	<b>8,562</b>	<b>8,785</b>	<b>8,561</b>	<b>Cr 224</b>		<b>Cr 96</b>	<b>0</b>
22,045	<b>TOTAL NON CONTROLLABLE</b>	1,812	9,276	9,276	0		Cr 116	0
2,052	<b>TOTAL EXCLUDED RECHARGES</b>	2,260	2,215	2,215	0		0	0
<b>33,568</b>	<b>PORTFOLIO TOTAL</b>	<b>12,634</b>	<b>20,276</b>	<b>20,052</b>	<b>Cr 224</b>		<b>Cr 212</b>	<b>0</b>

## Reconciliation of Final Budget

£'000

## Original budget 2013/14

12,634

Repairs and Maintenance carry forward from 2012/13	195
Allocation of Localisation & Conditions Pay Awards	94
Centralisation of training budgets	Cr 4
Local Plan Implementation carry forward from 2012/13	60
Drawdown of central contingency funds re increased fuel costs	21
Excluded recharges - minor adjustment	3
Discretionary rate relief adjustment	Cr 7

## Latest Approved Budget for 2013/14

12,996

## Memorandum Items

Capital Charges 5802	Cr 68
Deferred Charges (REFCUS) 5804	182
Impairment 5806	7,686
Gove Grants Deferred Sub 5807	Cr 875
Insurance	71
Rent Income	Cr 1
Repairs & Maintenance	Cr 164
IAS19 (FRS17)	438
Excluded Recharges	11
<b>Reported Latest Approved Budget for 2013/14</b>	<b>20,276</b>

## **REASONS FOR VARIATIONS**

### **1) Commissioning Fund £0k**

Within the commissioning fund there is a balanced budget. Combined expenditure of £105k on staffing and payments to the consulting organisation Peopletoo Ltd for work carried out during 2013-14, has been fully funded by a drawdown from the commissioning reserve.

### **2) Housing Strategy & Development £0k**

Within the service, there is no overall net variation. For information, £29k has been carried forward to 2014/15 via the reserve for the Housing Strategy charging account at year-end.

### **3. Building Control Cr £24k**

Within the chargeable account for building control there is an overall net underspend of £5k for the controllable budgets. For information, in accordance with the Building Account Regulations 2010, a sum of £68k has been carried forward to 2014/15 via the earmarked reserve for the Building Control charging account. This is the result of a net underspend of £46k from a reduction in running expenses and delays in filling vacant posts after allowing for a shortfall of income, together with the surplus carried forward from 2012/13 of £22k.

Within the non-chargeable service, largely as a result in delays in not appointing to vacant posts, there is an underspend of £19k.

### **4. Land Charges £3k**

Minor variations across the service have resulted in a deficit of £3k. This is more than offset by underspends elsewhere across R&R portfolio.

### **5. Planning Cr £213k**

Income from non-major planning applications is £11k above budget for 2013-14. Actual income for the year is £86k higher than that received during 2012-13, which is largely attributable to the 15% price increase that was introduced in November 2012.

For major applications, £442k has been received, £123k above the 2013/14 budget. The £442k income received was £275k higher than income received during 2012-13. For information, £294k was received in 2011-12, and £168k in 2012-13.

In total, income from planning applications was £134k above budget for 2013/14, compared to the January projection of £80k. This is largely due to additional income from proposed major developments received during March.

There is a deficit within income from the address management service of £3k due to lower volumes than previously anticipated.

There is a surplus of income totalling £56k from pre-application meetings and the discharge of planning conditions due to higher activity levels than budgeted.

Employee budgets across the planning service have underspent by £98k, largely due to a combination of recent departures, reduced working hours and part-vacancies.

There is a net overspend within legal expenses of £84k. This is mainly due to the costs of public enquiries, where costs have been incurred for consultants to provide specialist advice on affordable housing viability assessment and urban design.

<b>Summary of variations within Planning</b>		<b>£'000</b>
Surplus income from non-major applications	Cr	11
Surplus income from major applications	Cr	123
Income deficit within address management		3
Surplus income from pre-applications	Cr	47
Surplus income from discharge of conditions	Cr	9
Employees	Cr	98
Legal expenses		84
Other variations	Cr	12
<b>Total variation for Planning</b>	<b>Cr</b>	<b>213</b>

### **6) Renewal Cr £32k**

There is an underspend within Renewal salaries of £8k. This is largely due to a combination recent vacancies as well as not backfilling a secondment to Resources.

Within Planning Strategy & Projects and Regeneration, there is an underspend across running expenses of £54k. This is largely due to the delayed preparatory work on the Infrastructure Delivery Plan (IDP) as a result of the ongoing work within the three economic growth areas (Biggin Hill, Cray Business Corridor and Bromley Town Centre).

A provision of £90k has been set aside to meet the costs of a potential claim against the Council for the cost of repairs in respect of an application to fell a protected tree where permission was refused. This is being funded from underspends across Renewal & Planning.

The Executive agreed to carry forward £60k for the preparation of the Borough's Local Plan (LP). This was intended to fund the examination of the plan in public and associated work which are now due to take place later than expected, in early 2015. The precise timing of the examination is determined by the Planning Inspectorate and is therefore outside the Council's control. A request is being made to the June Executive to carry forward the unspent £60k in order to meet the future costs of the examination in public and to undertake any further evidence work required.

<b>Summary of variations within Renewal</b>		<b>£'000</b>
Underspend on salaries	Cr	8
Underspend across strategy & projects running expenses	Cr	54
Provision for potential claim relating to a tree with a TPO		90
Local Plan Implementation (c/fwd request to be made to June Exec)	Cr	60
<b>Total variation for Renewal</b>	<b>Cr</b>	<b>32</b>

### **7) Culture Cr £13k**

There is a surplus of £14k relating to additional income received from room hire at the Outreach Centres, as a result of higher activity than budgeted. There is a net deficit across other budgets of £1k, resulting in a total variation for the service of Cr £13k.

### **8) Libraries Dr £63k**

There is an overspend within Library IT budgets of £57k. This is largely due to delays incurred in the replacement of the Library Management System (LMS) and additional costs associated with the transfer of data between the current and incumbent LMS suppliers.

Overall income has a net shortfall of £21k. This comprises of a deficit of £38k on income from library fines, a surplus of £20k from activities in libraries, and net deficits of £3k across other income streams. Year on year customers are borrowing fewer items overall which is having an adverse effect on income budgets.

As a result of the delays by the owners of 46 Green lane in negotiating the lease arrangements for the new library at Penge, there is an underspend across premises budgets of £6k.

Additionally, there are other net variations of Cr £9k across other budgets, giving rise to a total overspend across libraries of £63k, which is more than offset by the underspend within planning.

<b>Summary of variations within Libraries</b>	<b>£'000</b>
IT overspend	57
Income deficit	21
Premises underspend	Cr 6
Other variations	Cr 9
<b>Total variation for Libraries</b>	<b>63</b>

### **9) Town Centre Management & Business Support Cr £8k**

There are minor underspends across various budgets totalling Cr £8k for Town Centre Management and Business Support.

### **Waiver of Financial Regulations**

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

None

### **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.

**Analysis of Members' Initiatives - Earmarked Reserves @ 31.3.14**

Item	Divison / Service Area	Responsible Officer	Allocation £'000	Spend to Date 31.3.14 £'000	Balance available £'000	Comments on Progress of Scheme
Investment in small shopping parades	Recreation - Town Centre Management & Business Support	Martin Pinnell	250	144	106	At this stage, it is anticipated that the remaining balance of £106k will be spent in 2014/15.
Tackling youth unemployment	Recreation - Business Support	Hannah Jackson	500	18	482	Contract with Bromley College has been terminated. £148k expected to be spent in 2014/15 and a further £69k in 2015/16. Options for the remaining £265k are being explored.
Beckenham Town Centre public realm improvements	Planning - Renewal	Kevin Munnelly	250	100	150	Remaining balance of £150k to be used as funding for the Beckenham Town Centre Improvement Capital Project.
<b>TOTAL</b>			<b>1,000</b>	<b>262</b>	<b>738</b>	