

GENERAL FUND - PROJECTED OUTTURN FOR 2015/16

Portfolio	2015/16 Original Budget £'000	Budget Variations allocated in year # £'000	2015/16 Latest Approved Budget £'000	2015/16 Projected Outturn £'000	Variation £'000
Care Services	102,794	25	102,819	102,385	Cr 434
Education (incl. Schools' Budget)	5,124	87	5,211	5,679	468
Environment	32,095	904	32,999	33,403	404
Public Protection & Safety	2,120	0	2,120	2,120	0
Renewal and Recreation	9,214	75	9,289	9,259	Cr 30
Resources	37,869	978	38,847	39,053	206
Total Controllable Budgets	189,216	2,069	191,285	191,899	614
Capital and Insurances (see note 2)	20,980	0	20,980	20,980	0
Non General Fund Recharges	Cr 793	0	Cr 793	Cr 793	0
Total Portfolios (see note 1)	209,403	2,069	211,472	212,086	614
Central Items:					
Interest on General Fund Balances	Cr 2,741	0	Cr 2,741	Cr 2,741	0
Contingency Provision (see Appendix 3)	14,003	Cr 399	13,604	13,601	Cr 3
Other central items					
Reversal of Net Capital Charges (see note 2)	Cr 19,698	0	Cr 19,698	Cr 19,698	0
Contribution to Investment Fund and other Reserves	1,436	0	1,436	1,436	0
Levies	1,427	0	1,427	1,427	0
Total other central items	Cr 16,835	0	Cr 16,835	Cr 16,835	0
Bromley's Requirement before balances	203,830	1,670	205,500	206,111	611
Carry Forwards from 2014/15 (see note 3)	0	Cr 1,186	Cr 1,186	0	1,186
Carry Forward from 2014/15 Delegated Authority - R&M	0	Cr 484	Cr 484	0	484
Adjustment to Balances	0	0	0	Cr 2,281	Cr 2,281
Revenue Support Grant	Cr 32,971	0	Cr 32,971	Cr 32,971	0
Business Rates Retention Top Up	Cr 9,950	0	Cr 9,950	Cr 9,950	0
Business Rates Retention	Cr 23,955	0	Cr 23,955	Cr 23,955	0
Section 31 Grants	Cr 504	0	Cr 504	Cr 504	0
New Homes Bonus	Cr 4,400	0	Cr 4,400	Cr 4,400	0
New Homes Bonus Top Slice	Cr 760	0	Cr 760	Cr 760	0
Local Services Support Grant	Cr 89	0	Cr 89	Cr 89	0
Collection Fund Surplus	Cr 2,300	0	Cr 2,300	Cr 2,300	0
Bromley's Requirement	128,901	0	128,901	128,901	0
GLA Precept	36,913	0	36,913	36,913	0
Council Tax Requirement	165,814	0	165,814	165,814	0

# Budget Variations allocated to portfolios in year consists of:	£'000
1) Carry forwards from 2014/15 (see note 3)	1,670
2) Allocations from the central contingency provision (see Appendix 3)	399
	<u>2,069</u>

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2015/16 Original Budget £'000	Budget Variations allocated in year # £'000	2015/16 Latest Approved Budget £'000	2015/16 Projected Outturn £'000	Variation £'000
Education Care & Health Services	130,780	112	130,892	130,941	49
Environmental & Community Services	54,013	855	54,868	55,227	359
Chief Executive's Department	24,610	1,102	25,712	25,918	206
	<u>209,403</u>	<u>2,069</u>	<u>211,472</u>	<u>212,086</u>	<u>614</u>

2) **Reversal of Net Capital Charges**

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

3) **Carry Forwards from 2014/15**

Carry forwards from 2014/15 into 2015/16 totalling £1,670k were approved by the Executive and under the delegated authority of the Director of Finance. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2014/15" report.

Care Services Portfolio Budget Monitoring Summary

2014/15 Actuals £'000	Division Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
25,785	Assessment and Care Management	23,630	24,111	24,191	80	1	0	121
3,389	Direct Services	3,200	3,200	3,200	0		0	0
3,532	Learning Disabilities Care Management	3,879	3,703	3,624	Cr 79	2	0	Cr 83
1,949	Learning Disabilities Day and Short Breaks Service	1,953	1,953	1,953	0		0	0
1,326	Learning Disabilities Housing & Support	1,250	1,320	1,320	0		0	0
35,981		33,912	34,287	34,288	1		0	38
Operational Housing								
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,594	Housing Benefits	Cr 2,122	Cr 2,122	Cr 2,122	0		0	0
5,683	Housing Needs	5,638	5,663	5,663	0		0	438
	Housing funds held in contingency							Cr 438
4,088		3,515	3,540	3,540	0	3	0	0
Strategic and Business Support Service								
1,807	Strategic & Business Support	2,143	2,143	1,983	Cr 160	4	0	0
298	Learning & Development	305	305	305	0		0	0
2,105		2,448	2,448	2,288	Cr 160		0	0
Children's Social Care								
16,897	Care and Resources	17,245	17,245	17,300	55	5	0	114
1,783	Safeguarding and Quality Assurance	1,384	1,384	1,384	0		0	0
3,420	Safeguarding and Care Planning	3,343	3,343	3,343	0		0	0
3,583	Referral and Assessment	3,537	3,537	3,614	77		0	Cr 72
2,101	Children's Disability Service	2,379	2,379	2,379	0		0	0
27,784		27,888	27,888	28,020	132		0	42
Commissioning								
3,101	Commissioning	2,748	2,753	2,831	78	6	0	0
1,199	Information & Early Intervention							
	- Net Expenditure	1,265	1,265	1,188	Cr 77	7	0	0
	- Recharge to Better Care Fund	Cr 1,265	Cr 1,265	Cr 1,188	Cr 77	7	0	0
24,054	Learning Disabilities	24,694	24,595	24,485	Cr 110	8	0	397
5,765	Mental Health Services	6,514	6,233	5,974	Cr 259	9	0	Cr 196
1,779	Supporting People	1,413	1,413	1,373	Cr 40	10	0	Cr 40
	Better Care Fund							
	- Expenditure	18,331	18,331	18,331	0		0	0
	- Income	Cr 18,482	Cr 18,482	Cr 18,482	0		0	0
	- Variation on Protection of Social Care	0	0	77	Cr 77	11	0	0
	NHS Support for Social Care							
11,078	- Expenditure	0	614	614	0		0	0
Cr 11,759	- Income	0	Cr 614	Cr 614	0		0	0
35,217		35,218	34,843	34,435	Cr 408		0	161
Public Health								
12,238	Public Health	12,582	12,582	12,532	Cr 50		0	0
Cr 12,601	Public Health - Grant Income	Cr 12,954	Cr 12,954	Cr 12,904	50		0	0
Cr 363		Cr 372	Cr 372	Cr 372	0		0	0
104,812	TOTAL CONTROLLABLE ECHS DEPT	102,609	102,634	102,199	Cr 435		0	241
1,401	TOTAL NON CONTROLLABLE	378	378	394	16		0	0
10,516	TOTAL EXCLUDED RECHARGES	9,404	9,404	9,404	0		0	0
116,729	TOTAL ECHS DEPARTMENT	112,391	112,416	111,997	Cr 419		0	241
Environmental Services Dept - Housing								
169	Housing Improvement	185	185	185	0		0	0
169	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	185	185	185	0		0	0
104	TOTAL NON CONTROLLABLE	Cr 600	Cr 600	Cr 600	0		0	0
364	TOTAL EXCLUDED RECHARGES	329	329	329	0		0	0
637	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 86	Cr 86	Cr 86	0		0	0
117,366	TOTAL CARE SERVICES PORTFOLIO	112,305	112,330	111,911	Cr 419		0	241

Reconciliation of Latest Approved Budget	£'000
2015/16 Original Budget	112,305
Carry forwards requested this cycle:	
Social Care funding via the CCG under s256 (Invest to Save)	
<i>Dementia:</i>	
- expenditure	122
- income	Cr 122
<i>Physical Disabilities:</i>	
- expenditure	87
- income	Cr 87
<i>Impact of Care Bill</i>	
- expenditure	105
- income	Cr 105
<i>Integration Fund - Better Care Fund</i>	
- expenditure	300
- income	Cr 300
<i>Welfare Reform Grant</i>	
- expenditure	66
- income	Cr 66
<i>Helping People Home Grant</i>	
- expenditure	28
- income	Cr 28
<i>Winter Resilience</i>	
- expenditure	15
- income	Cr 15
<i>Adoption Reform Grant</i>	
- expenditure	284
- income	Cr 284
<i>Tackling Troubled Families Grant</i>	
- expenditure	226
- income	Cr 226
<i>Housing Regulations Grant</i>	
- expenditure	3
- income	Cr 3
<i>Social Care Innovation Grant</i>	
- expenditure	100
- income	Cr 100
	<hr/>
	0
Transfer of Housing budgets from Renewal and Recreation Portfolio	25
2015/16 Latest Approved Budget	<u>112,330</u>

REASONS FOR VARIATIONS

The projections in this report have been based on current PSR classifications in Carefirst but the pattern of variation may shift between individual PSR budget heads in future months if these are amended.

1. Assessment and Care Management - Dr £80k

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

	Variation £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 + - Placements	-116
- Domiciliary Care / Direct Payments	-42
Services for 18 - 64 - Placements	126
- Domiciliary Care / Direct Payments	32
Extra Care Housing	80
	<hr/>
	80

As part of the budget setting process for 2015/16, the full year effects of the overspends in Adult Social Care during 2014/15 as reported in the January 2015 budget monitoring were fully funded. Savings of £250k were also included in the budget for the management of demand at first point of contact, and the projections assume that these will be achieved during the year.

The external extra care housing schemes are showing a projected overspend of £80k in relation to the potential costs of voids which are not budgeted for. With the expected closure of the in-house scheme at Lubbock House and the need to move residents to alternative extra care accommodation, units in the external schemes are being kept vacant in preparation for these transfers. These however incur a weekly void cost equivalent to the rental price of the unit and the core costs of care staff, which Bromley has to pay for.

2. Learning Disabilities Care Management - Cr £79k

The projected underspend relates to the provision of domiciliary care services and direct payments for adults aged 18 and over.

3. Operational Housing - Dr 0k

Temporary Accommodation budgets are currently forecast to overspend the latest approved budget by £543k. Increased client numbers (net increase of 15 per month during 2013/14 and 11 per month during 14/15, inclusive of welfare reform) and rising unit costs are evident and the projections assume the trend continues during this financial year. Although the average increase in 14/15 was lower than 13/14, the average increase for the final quarter of 14/15 was 17 per month. These increases have been noticeable across all London Boroughs and are the result of the pressures of rent and mortgage arrears coupled with a reduction in the numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

The full year effect of the projected overspend is currently anticipated to be a pressure of £438k in 2016/17. However, this only takes account of projected activity to the end of March 2016 and does not include any projected further growth in numbers beyond that point.

Although there is an overspend and a full year effect of this overspend, it is assumed that this will be dealt with through the draw down of contingency.

4. Strategic and Business Support - Cr £160k

There is anticipated to be an underspend of £160k on the salaries budget in ECHS Strategic and Business Support Division.

5. Children's Social Care - Dr £132k

The current projected overspend in Children's Social Care is £132k, with the main areas of under / overspending being:

Care and Resources - Placements - Dr £198k

The budget for children's placements is projected to overspend in the region of £198k this year, however given that we are in the early stages of the year and the level of volatility around the budget, certain financial assumptions have had to be made. Officers will monitor these assumptions during the course of the year and update the projections as required.

Referral and Assessment - No Recourse to Public Funds - Dr £77k

The cost to Bromley for people with no recourse to public funding continues to exceed the budget established for these costs. Additional budget was moved into this area for 2015/16, however the trend of increased costs continues with an overspend of £77k currently being projected.

Care and Resources - Leaving Care Clients - 16/17 year olds and 18 plus - Cr £143k

Expenditure relating to leaving care services for 16 and 17 year olds is projected to underspend by £269k this year, partly due to clients becoming 18. Conversely the budget for 18 plus clients is projected to see an overspend of £126k, partly due to the levels of rents being paid not being matched by housing benefit payments.

6. Commissioning - Dr £78k

The net overspend of £78k comprises:

	Variation
	£'000
Staffing and related budgets	98
Share of ECHS management savings not yet achieved	24
Taxicard	Cr 30
Contracts	Cr 14
Net underspend	<u>78</u>

The projected overspend on Commissioning staffing and related budgets results mainly from a combination of a post no longer attracting health funding and additional temporary staff. Funding sources are being explored to mitigate these costs but this has not been reflected in this set of projections as it is currently unconfirmed.

Management savings totalling £103k were deducted from the ECHS budget late in the 2015/16 budget process. These were apportioned across divisions on a pro rata basis and the Commissioning share amounted to £24k. It may be possible to identify savings in-year to offset this but this is not currently the case.

The projected underspend of £30k on Taxicard has arisen from current TfL data indicating that Bromley's take up will be lower than budgeted in 2015/16, resulting in a reduced charge to LBB. However this is based on the assumption that trip numbers remain the same as 2014/15 so may vary as the year progresses.

Commissioning contracts budgets are projected to be underspent by £14k as the cost of the Healthwatch contract is less than expected at the time the 2015/16 budget was prepared.

7. Information and Early Intervention - Cr & Dr £77k

An underspend of £77k is currently anticipated which is largely a continuation of the pattern of spend in 2014/15. This figure is net of minor overspends where a contract ceased as a result of a 2015/16 budget saving but where, because of contractual obligations, only a part year saving will be achieved in 2015/16.

The Information and Early Intervention budget is fully funded from the Better Care Fund in 2015/16. As the budget is currently predicted to underspend it will result in a reduced charge to the Better Care Fund. As the intention of this element of the Better Care Fund was to protect existing social care services it has been assumed that the amount of this underspend will be diverted to fund other costs within social care (see also ref 11 below).

8. Learning Disabilities - Cr £110k

At this early stage in the financial year the projections include a considerable level of financial assumptions relating to uncertainties e.g. transition clients, increased care needs, carer breakdowns, attrition, health funding, start dates etc. Based on the information currently available a net underspend of £110k is anticipated but this could vary significantly as the year progresses.

9. Mental Health - Cr £259k

As mentioned above, there continues to be a degree of client Primary Support Reason (PSR) misclassification for Mental Health. This may result in the pattern of spend variation shifting between PSRs in future months.

Based on current client PSR classifications, an underspend of £259k is anticipated on Mental Health care packages although this may be offset by higher spend in Assessment and Care Management. Similarly to Learning Disabilities above, at this stage the projections include a number of assumptions on future uncertainties (client moves, new placements, cost changes, health funding etc) and therefore may vary considerably as the year progresses.

10. Supporting People - Cr £40k

The projected underspend of £40k on Supporting People budgets arises from inflationary savings and the effect of re-tendering / extending contracts at a reduced cost. There were savings of £304k built in to the 2015/16 Supporting People budget and the £40k underspend is in excess of this.

11. Better Care Fund - Variation on amount earmarked to protect social care - Cr £77k

An amount of funding from the Better Care Fund has been earmarked to protect social care. This contributes to a range of services across Adult Social Care and Commissioning Divisions. The amount allocated to Commissioning budgets is currently forecast to underspend by £77k (Information and Early Intervention, see ref 7 above) and it is assumed that this will contribute to other existing budgets within Commissioning.

Waiver of Financial Regulations:

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

Since the last report to the Executive there have been no waivers approved.

Virements Approved to date under Director's Delegated Powers

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

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Education Division								
Cr 355	Adult Education Centres	Cr 602	Cr 602	Cr 220	382	1	0	382
202	Alternative Education and Welfare Service	264	264	264	0		0	0
296	Schools and Early Years Commissioning & QA	396	396	259	Cr 137	2	0	Cr 120
4,633	SEN and Inclusion	4,833	4,833	4,774	Cr 59	3	0	0
218	Strategic Place Planning	216	227	227	0		0	0
36	Workforce Development & Governor Services	4	4	4	0		0	0
Cr 2,419	Education Services Grant	Cr 2,128	Cr 2,128	Cr 2,128	0	4	0	159
Cr 1,493	Schools Budgets	Cr 1,509	Cr 1,509	Cr 1,509	0	5	0	0
139	Other Strategic Functions	133	133	133	0		0	0
1,257		1,607	1,618	1,804	186		0	421
Children's Social Care								
2,315	Bromley Youth Support Programme	1,473	1,549	1,831	282	6	0	0
2,303	Referral and Assessment Children's Centres	2,044	2,044	2,044	0		0	0
4,618		3,517	3,593	3,875	282		0	0
5,875	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	5,124	5,211	5,679	468		0	421
11,852	Total Non-Controllable	9,278	9,278	9,278	0		0	0
3,493	Total Excluded Recharges	3,987	3,987	3,987	0		0	0
21,220	TOTAL EDUCATION PORTFOLIO - ECHS	18,389	18,476	18,944	468		0	421
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 21	Cr 21	Cr 11	10	}	0	0
	Education Welfare Service (RSG Funded)	Cr 39	Cr 39	Cr 39	0		0	0
	Workforce Development (DSG/RSG Funded)	Cr 14	Cr 14	Cr 14	0		0	0
	Governor Services (DSG/RSG Funded)	Cr 8	Cr 8	Cr 8	0		0	0
	Community Vision Nursery (RSG Funded)	0	0	Cr 70	Cr 70		0	Cr 70
	Blenheim Nursery (RSG Funded)	0	0	Cr 50	Cr 50		0	Cr 50
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	Total Sold Services	Cr 82	Cr 82	Cr 192	Cr 110		0	Cr 120

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

18,389

SEND Reform Implementation Grants (Exec March 2015) - expenditure	456
SEND Reform Implementation Grants (Exec March 2015) - income	Cr 456
YOT Service Strategic Review carry forward (subject to approval)	76
Review of Place Planning carry forward (subject to approval)	11
Early Years Grant carry forward (subject to approval) - expenditure	19
Early Years Grant carry forward (subject to approval) - income	Cr 19
SEN Preparation for Employment carry forward (subject to approval) - expenditure	46
SEN Preparation for Employment carry forward (subject to approval) - income	Cr 46

Latest Approved Budget for 2015/16

18,476

REASONS FOR VARIATIONS

1. Adult Education - Dr £382k

As members will be aware, there has been significant reduction in grant allocation from the Skills Funding Agency for the Adult Education Service in recent years. In addition, tuition fee income has been reducing, resulting in a total income shortfall of £518k projected for 2015/16.

The service has managed to offset part of this with £120k of temporary staffing reductions and vacancies, in addition to other minor reductions in running expenses, resulting in a projected net overspend of £382k.

The service was market tested as a separate 'lot' with Education services during 2014/15, but no solution was found. Officers are currently investigating other options to help contain this overspend going forward which be presented to members in due course.

	Variations
	£'000
Skills Funding Agency grant/fee income	518
Supplies and services	Cr 16
Staffing	Cr 120
	<u>382</u>

2. Schools and Early Years Commissioning and Quality Assurance - Cr £137k

The two in-house nurseries are projected to generate a total surplus of £120k. The trading accounts, set up in April 2013, are not on a full cost recovery basis, so this surplus doesn't cover the £185k recharges allocated. The service is currently undergoing a market testing exercise which might, depending on the level of rental income and concession fee agreed, result in a reduction of net income if delivered by an external provider. A virement has been approved to create new posts at Community Vision to open up an unused room which could generate an additional £25k net income.

No variation is currently projected for Early Years which is expected to meet the £130k savings agreed for 2015/16. A £19k grant from DfE to help implement Early Years Pupil Premium was announced on 17th February, and was approved by Executive to be carried forward to 2015/16 and is now requested to be drawn down from Central Contingency.

There are also underspends on staffing within the School Standards team as a result of staff vacancies.

	Variations
	£'000
Blenheim Nursery	Cr 50
Community Vision Nursery	Cr 70
School Standards	Cr 17
	<u>Cr 137</u>

3. SEN and Inclusion - Cr £59k

To help authorities with the amount of work required to convert existing Statements of SEN to the new Education Health and Care (EHC) plans, and to implement the changes to working practices required, the Department for Education has created the SEN Implementation (New Burdens) Grant. LBB's allocation of this grant for 2015/16 is £177k, of which £148k was approved for drawdown by Executive in March 2015, in addition to the carry forward of £200k underspend from 2014/15.

The Head of Service post is now being covered part time, and at a lower grade whilst the previous post holder is working solely on the reforms. This, plus temporary vacancies, and staff working reduced hours has resulted in a projected £30k underspend in the SEN assessment and monitoring team, and £39k on the Head of Service.

These are partly offset by a small shortfall of income of £10k on the Education Psychology trading account.

Although the travel training programme is progressing well, the savings this is generating on the SEN Transport budget are currently only offsetting increased costs due increasing number of pupils in general, and of those with complex needs.

	Variations
	£'000
SEN assessment & monitoring team	Cr 30
Head of Service	Cr 39
Education Psychologists trading account	10
	<u>Cr 59</u>

4. Education Services Grant - Cr £0k

Current projections for the Education Services Grant (ESG) allocation is £562k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The current projection is based on the 4 conversions on 1st April and 14 conversions expected during the year. The full year effect of these 18 conversions is £721k. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

5. 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 projected overspend of £774k will reduce the £9.9m carried forward from 2014/15, against which £3.5m will be distributed as one-off funding to schools, £3m for Beacon House refurbishment, and £1m for growth in 2016/17.

Staffing vacancies in the School Standards team have resulted in a projected £42k underspend.

SEN placements costs are projected to overspend by a total of £420k, mainly due to a significant projected increase in pupil numbers in independent and outborough placements, and SEN support costs for students in further education is currently projected to underspend by £152k.

There is an underspend of £77k in the Sensory Support Service and support in mainstream, mainly due to vacant posts and delays in recruitment, as well as specific posts linked to pupils for sensory support that are not currently required.

The Early Years SEN (Phoenix) and Specialist Support and Disability Services are currently projected to underspend by a total of £74k, mainly on staffing costs. This budget was reduced for 2015/16 to help contain anticipated pressures in other areas of the Schools Budget.

The DSG funded element of SEN Transport is projected to underspend by £96k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of increased take up of lower cost in-borough placements in future years.

The underspends above are offset by a continued increase in the requirement for bulge classes, and for the first time, a need for them at secondary level, a year earlier than had been anticipated, resulting in an overspend of £800k on the £1.5m budget. This £1.5m includes the additional £500k which was agreed to be added to the budget for two years, funded from the DSG carry forward. Officers are currently planning to work with Schools Forum to review the future funding of bulge classes.

	Variations	
		£'000
School Standards	Cr	42
Bulge Classes		800
SEN:		
- Placements		420
- Support in FE colleges	Cr	152
- Sensory support service	Cr	54
- Support in mainstream	Cr	23
- Specialist Support & Disability Service	Cr	20
- Pre-school service	Cr	54
- Transport	Cr	96
- Business Support	Cr	5
		<u>774</u>

6. Youth Services - Dr £282k

The Youth Service has a projected overspend in year on salaries and some running costs during a period of restructure required to reconfigure the service to achieve the 2015-16 saving target of £506k whilst continuing to provide both universal and targeted youth support. A clearer picture will be available on the completion of the appropriate consultation processes which started earlier in the year.

There is also a projected overspend in the Youth Offending Team of up to £50k; as a consequence of the outcome of the recent HMIP inspection, it has been necessary to delay the planned restructure of the service.

7. Sold Services (net budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, a virement of £27k has been agreed by the Portfolio Holder for the creation of additional posts at Community Vision nursery to be funded by the additional income generated.

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
77	Public Protection Emergency Planning	75	75	75	0		0	0
77		75	75	75	0		0	0
	Street Scene & Green Space							
4,115	Area Management/Street Cleansing	4,048	4,048	3,998	Cr 50	1	0	0
252	Depots	275	275	275	0		0	0
2,429	Highways	2,542	2,542	2,542	0		0	0
Cr 42	Markets	Cr 2	Cr 2	Cr 2	0		0	0
5,745	Parks and Green Space	5,676	5,809	5,809	0		0	0
467	Street Regulation	513	513	513	0		0	0
327	Transport Support Services	342	342	342	0		0	0
17,613	Waste Services	17,853	18,411	18,511	100	2	0	Cr 250
30,906		31,247	31,938	31,988	50		0	Cr 250
	Support Services							
545	Support Services	518	518	518	0		0	0
545		518	518	518	0		0	0
	Transport & Highways							
6,921	Highways incl London Permit Scheme	6,794	7,007	7,007	0		0	0
Cr 6,496	Parking	Cr 6,696	Cr 6,696	Cr 6,342	354	3, 4, 5, 6	0	890
176	Traffic & Road Safety	157	157	157	0		0	0
601		255	468	822	354		0	890
32,129	TOTAL CONTROLLABLE	32,095	32,999	33,403	404		0	640
6,238	TOTAL NON-CONTROLLABLE	5,332	5,282	5,267	Cr 15		0	0
2,221	TOTAL EXCLUDED RECHARGES	2,290	2,290	2,290	0		0	0
40,588	PORTFOLIO TOTAL	39,717	40,571	40,960	389		0	640

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

39,717

Keston Ponds Dam - carry-forward from 2014/15

20

Countryside & Woodland works - carry-forward from 2014/15

40

Waste - 3 split-bodied vehicles - carry-forward from 2014/15

558

Increase in contract costs re TLG pension contributions

23

Lead Local Flood Authorities Grant

213

Latest Approved Budget for 2015/16

40,571

REASONS FOR VARIATIONS

1. Area Management & Street Cleansing Cr £50k

Implementation of the closure of the remaining public conveniences began before the end of 2014/15, which has resulted in Cr £50k more savings being achieved in 2015/16. This is partly offsetting the overspend within the waste service.

2. Waste Services Dr £100k

Waste disposal tonnages are currently projected to be £80k overspent, largely due to additional tonnage being brought over the Weighbridges. For information there has been 180 additional tonnes at the Weighbridges in April and May 2015 compared to the same period in 2014-15. This is based upon April's actual and May's provisional data, which also indicates a net nil variation across other tonnage types.

The additional tonnage from the weighbridge has generated extra income of £80k for trade waste delivered which will offset the waste disposal overspend.

Savings of £250k were built into the 2015/16 waste services budget for the revision to the kerbside paper collection service. The report to the Environment Portfolio Holder on 18 February 2015 highlighted that after taking account of the one-off implementation costs, the savings expected to be delivered during 2015/16 would be below the target by £107k. The savings for future years would however be exceeded by £250k per annum.

0

Summary of overall variations within Waste Services	£'000
Waste disposal tonnages	80
Surplus trade waste delivered income	Cr 80
Revised kerbside collection arrangements	100
Total variation for Waste Services	100

3. Income from Bus Lane Contraventions Cr £267k

As a result of reinstating bus lane enforcement following completion of public realm works in Bromley North from March 2015, there is projected additional income of around £267k for 2015/16. This projection from Parking takes into account the likely drop off by the end of the financial year due to motorists' increased compliance and therefore the potential full year effect is only likely to be £40k.

4. Off Street Car Parking Cr £175k

Overall a surplus of £175k is projected for off street parking income. Cr £45k is expected from Village Way and the Civic Centre multi-storey car parks, £80k from surface car parks and an additional Cr £50k is projected from the Mitre Close car park. It should be noted that the average income per month from Mitre Close for April 2014 to February 2015 was £2k, however in March 2015 this rose to £6k and has continued at this level for April and May 2015. This is because some spaces were being used by the Bromley North contractors during the period of works and therefore enforcement did not commence until March 2015.

Summary of variations within Off Street Car Parking	£'000
Off Street Car Parking income - multi-storey car parks	Cr 45
Off Street Car Parking income - other surface car parks	Cr 130
Total variations within Off Street Parking	Cr 175

5. Car Parking Enforcement Dr £796k

Based on activity levels up to May 2015, there is a projected net surplus of £60k from PCNs issued by Vinci in the current year due to an increase in the number of contraventions. If these volumes continue at the current level, this could be as high as £180k at the financial year end. The number of contraventions will be closely monitored over the next few months.

A net deficit of Dr £856k is projected for mobile and static cameras due to changes in legislation from April 2015. Contravention numbers will be closely monitored during the next few months and Officers will review the service in order to prepare a report providing Members with options for the future of this service and a request to draw down monies from the £1m which is held in the Central contingency for the impact of the legislation changes.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	Cr 60
PCNs issued by mobile & static cameras	856
Total variations within Car Parking Enforcement	796

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 267
Off Street Car Parking	Cr 175
Car Parking Enforcement	796
Total variation for Parking	354

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 over £50k have been actioned:

- TFL Engineering Consultancy - April to October 2015 £90k

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 & Safety Budget Monitoring Summary

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
311	Public Protection Community Safety	256	256	256	0		0	0
341	Mortuary & Coroners Service	353	353	353	0		0	0
1,607	Public Protection	1,511	1,511	1,511	0		0	0
2,259	TOTAL CONTROLLABLE	2,120	2,120	2,120	0		0	0
92	TOTAL NON CONTROLLABLE	6	6	6	0		0	0
9	TOTAL EXCLUDED RECHARGES	151	151	151	0		0	0
2,360	PORTFOLIO TOTAL	2,277	2,277	2,277	0		0	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

2,277

Domestic Abuse - Grant Related Expenditure

26

Domestic Abuse - Grant Related Income

Cr 26

Latest Approved Budget for 2015/16

2,277

REASONS FOR VARIATIONS

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

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

Renewal and Recreation Budget Monitoring Summary

2014/15 Actuals £'000	Division Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
0	Commissioning Fund Commissioning Fund	0	0	0	0		0	0
0		0	0	0	0		0	0
	Planning							
Cr 27	Building Control	14	14	Cr 16	Cr 30	1	0	0
Cr 164	Land Charges	Cr 168	Cr 168	Cr 168	0		0	0
433	Planning	617	617	617	0	2	0	0
1,090	Renewal	1,825	1,850	1,850	0		0	0
1,332		2,288	2,313	2,283	Cr 30		0	0
	Recreation							
1,940	Culture	1,973	1,973	1,990	17	3	0	0
5,087	Libraries	4,734	4,734	4,717	Cr 17	4	0	0
255	Town Centre Management & Business Support	219	269	269	0		0	0
7,282		6,926	6,976	6,976	0		0	0
8,614	Total Controllable R&R Portfolio	9,214	9,289	9,259	Cr 30		0	0
11,630	TOTAL NON CONTROLLABLE	3,916	3,916	3,916	0		0	0
2,159	TOTAL EXCLUDED RECHARGES	2,469	2,476	2,476	0		0	0
22,403	PORTFOLIO TOTAL	15,599	15,681	15,651	Cr 30		0	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2015/16

15,599

Local Plan Implementation - carry-forward from 2014/15

60

Biggin Hill Air Noise Action Plan - carry-forward from 2014/15

40

Adj. re Housing Strategy Service Excluded Recharges

7

Transfer of Housing budgets to Care Services Portfolio

Cr 25

Latest Approved Budget for 2015/16

15,681

REASONS FOR VARIATIONS

1. Building Control Cr £30k

For the chargeable service, an income deficit of £110k is anticipated based on information to date. This is being more than offset by a projected underspend within salaries of £185k arising from reduced hours working / vacancies. In accordance with Building Account Regulations, the net surplus of £75k will be carried forward via the earmarked reserve for the Building Control Charging Account.

Within the non-chargeable service, as a result of delays in not appointing to vacant posts, there is a projected underspend of £30k.

2. Planning £0k

Income from non-major planning applications is £7k above budget for the first two months of the year, and a surplus of £20k is projected for the year, although this could be as high as £60k if last year's outturn is repeated. For information, actual income received for April and May is £5k higher than that received for the same period last year.

For major applications, £85k has been received for as at 31st May, which is almost £40k higher than for the same period in 2014/15. Planning officers within the majors team have provided a schedule of additional potential income that may be received in the coming months of approximately £225k. A balanced budget is projected from major applications at this stage of the year, allowing for delays in some of the income being received, as well as other items not being received at all.

Currently there is projected surplus income of £30k from pre-application meetings due to higher than budgeted activity levels, although this could be as high as between £50k to £120k. For information, £39k has been received for the first two months of the year, compared with £24k for the same period in 2014/15.

There is a projected overspend within staffing budgets of £50k. This is a due to the imminent recruitment of two additional temporary planner staff in order to assist with the current increase in volumes of planning applications.

Summary of variations within Planning:

	£'000
Surplus income from non-major applications	Cr 20
Surplus pre-application income	Cr 30
Overspend on staffing	50
Total variation for planning	<u>0</u>

3. Culture Dr £17k

Although savings were built into the 2015/16 budget in anticipation of the closure of the Priory Museum, the subsequent delayed decision in this taking place, has led to a projected overspend of £31k, as detailed in the recent Executive report. Management action across the culture service totalling £14k has been taken to partly-offset this overspend.

4. Libraries Cr £17k

Following strike action taken by a number of libraries staff in April and May 2015, there is a projected one-off underspend of £17k. This is being used to fund the overspend within Culture as described above, thus ensuring an overall balanced budget for the Recreation division.

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. No waivers over £50k have been approved since the last report to the Executive.

Virements Approved to date under Director's Delegated Powers

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

Resources Portfolio Budget Monitoring Summary

2014/15 Actual £'000		2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
	Financial Services & Procurement							
191	Director of Finance & Other	202	202	202	0		0	
6,507	Exchequer - Revenue & Benefits	6,389	6,389	6,336	Cr 53	1	0	
495	Financial Accounting	495	495	495	0		0	
1,179	Management Accounting	1,109	1,113	1,065	Cr 48	2	0	
8,372	Total Financial Services Division	8,195	8,199	8,098	Cr 101		0	0
	CORPORATE SERVICES DIVISION							
4,386	Information Systems & Telephony	4,394	4,516	4,516	0		0	
	Operational Property Services							
419	Operational Property	375	375	453	78	3		152
1,809	Repairs & Maintenance (All LBB)	1,920	2,354	2,354	0	4	0	
945	Customer Services (inc. Bromley Knowledge)	923	923	923	0		0	
	Legal Services & Democracy							
685	Electoral	312	312	312	0		0	
1,450	Democratic Services	1,383	1,383	1,383	0		0	
Cr 106	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 94	0		0	
1,447	Legal Services	1,548	1,578	1,578	0		0	
1,613	Admin. Buildings	1,613	1,613	1,589	Cr 24	5	0	
481	Facilities & Support	467	467	417	Cr 50	6	0	
166	Management and Other (Corporate Services)	148	148	148	0		0	
13,295	Total Corporate Services Division	12,989	13,575	13,579	4		0	152
	HR DIVISION							
1,481	Human Resources	1,543	1,545	1,545	0		0	
1,481	Total HR Division	1,543	1,545	1,545	0		0	0
	CHIEF EXECUTIVE'S DIVISION							
770	Audit	733	733	715	Cr 18	5	0	
379	Financial Systems	421	421	421	0		0	
427	Procurement	446	446	446	0		0	
1,726	Exchequer - Payments & Income	1,516	1,547	1,530	Cr 17	6	0	
201	Comms	213	213	182	Cr 31	7	0	
601	Management and Other (C. Exec)	786	786	764	Cr 22	8	0	
141	Mayoral	144	144	126	Cr 18	9	0	
4,245	Total Chief Executive's Division	4,259	4,290	4,184	Cr 106		0	0
	TRANSFORMATION & REGENERATION DIVISION							
	Strategic Property Services							
214	Investment & Non-Operational Property	390	390	233	Cr 157	10	0	Cr 168
550	Strategic Property Services	606	635	635	0		0	
Cr 5,630	Investment Income	Cr 7,393	Cr 7,393	Cr 6,827	566	11	0	0
Cr 833	Other Rental Income - Other Portfolios	Cr 824	Cr 824	Cr 824	0		0	
Cr 5,699	Total Transformation & Regeneration Division	Cr 7,221	Cr 7,192	Cr 6,783	409		0	Cr 168
21,694	Total Controllable Departmental Budgets	19,765	20,417	20,623	206		0	Cr 16
	CENTRAL ITEMS							
7,450	CDC & Non Distributed Costs (Past Deficit etc.)	7,542	7,542	7,542	0		0	
10,425	Concessionary Fares	10,562	10,888	10,888	0		0	
39,569	Total Controllable	37,869	38,847	39,053	206		0	Cr 16

2014/15 Actual £'000	Financial Summary	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
Cr 1,311	Total Non Controllable	3,367	3,367	3,367	0		0	
Cr 19,609	Total Excluded Recharges	Cr 19,424	Cr 19,431	Cr 19,431	0		0	
Cr 1,384	Less: R&M allocated across other Portfolios	Cr 1,522	Cr 1,472	Cr 1,472	0		0	
833	Less: Rent allocated across other Portfolios	824	824	824	0		0	
18,098	TOTAL CHIEF EXECUTIVE'S DEPARTMENT	21,114	22,135	22,341	206		0	Cr 16
18,098	TOTAL RESOURCES PORTFOLIO	21,114	22,135	22,341	206		0	Cr 16
	Memorandum Item					12		
	Sold Services							
31	Facilities (Caretaking) Schools Trading Account	12	12	45	33		0	
Cr 6	Reactive Maintenance Schools Trading Account	0	0	0	0		0	
25	Total Sold Services	12	12	45	33		0	0

Reconciliation of Final Budget**£'000****Original budget 2015/16****21,114**

Repairs and Maintenance carry forward from 2014-15 (delegated authority)	484
Concessionary Fares	326
Liberata contract - Effect of updated Pension Contributions re HR, Finance, Fairer Charging / A & D	37
Adj. re Housing Strategy Service Excluded Recharges	Cr 7
Carry forwards from 2014-15 requiring Members' approval	
- IER Grant - Related Expenditure	19
- IER Grant - Draw down from Grants Reserve	Cr 19
- Hardware for Disaster Recovery / Windows 7	122
- Legal Case Work system upgrade	30
- Transparency Agenda	29

Latest Approved Budget for 2015/16**22,135**

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1 Exchequer Services - Revenue & Benefits - £53k Cr

An overall underspend of £53k Cr is projected for Revenue and Benefits. £39k Cr relates to vacant posts for which there are no plans to fill this financial year. A further £55K Cr is expected on Licences and Support costs for the Exchequer systems. The contracts budget is expected to overspend by £30k of which £47k Dr relates to 2 additional Council Tax Recovery Officers offset by £17k Cr for reduced cash collections. Other variations net out to £11K Dr.

2 Management Accounting - £48k Cr

An underspend of £48k Cr is projected for Management Accounting. This mainly relates to vacant posts.

CORPORATE SERVICES DIVISION

3 Operational Property Services £78k Dr

An overspend of £78K is currently projected for Operational Property. This mainly relates to the following :

An overspend of £117k Dr is forecast for the planned service in 15-16. In previous years, the 10% management fee recharged to Education capital schemes contributed towards the cost of the service's corporate work. Due to the number of academy conversions, the total recharge has reduced significantly over the past couple of years. Unlike other Council sold services, however, this was not matched by an increase in income, as the majority of academies opted not to buy in to this service.

The shortfall is likely to get worse as the remaining schools convert to academy status, and the service cannot reduce staffing levels further without causing operational issues. The budget is historic and assumes funding of approx. £200k from school related works (10% charges on works of approx. £2M). The latest capital programme suggests that most of this work will fall out in 16-17 and consequently the shortfall is expected to increase to £191K in 16-17.

An historic shortfall in caretaking income of £11k Dr is expected to continue. These overspends are offset by a projected underspend of £50k Cr on the Walnuts Boiler Plant (mainly relating to gas) which is likely to be ongoing.

4 Repairs & Maintenance (All LBB)

At this early stage in the year, R & M is forecast to spend to budget. The latest approved budget includes the carry forward from 14-15 of £484K.

General note - The Property & Finance Sub-Committee, in December 2001, agreed that a carry forward could be made at the end of each financial year of revenue underspends on landlord building maintenance on the basis that Property will continue to seek to contain total expenditure within approved annual budgets.

5 Admin. Buildings - £24k Cr

This variation mainly relates to staffing pending the outcome of a review of the service.

6 Facilities & Support - £50k Cr

This variation mainly relates to a post being held vacant pending the outcome of a review of the service.

CHIEF EXECUTIVE'S DIVISION

7 Audit - £18k Cr

An underspend of £18k Cr is projected for Audit. This mainly relates to a vacant post.

8 Exchequer Services - Payments & Income - £17k Cr

An underspend of £17k Cr is projected for Payments & Income. This mainly relates to the contracts budget.

9 Comms - £31k Cr

An underspend of £31k Cr is projected for Comms, mainly relating to a vacant post.

10 Management & Other (Chief. Exec.) - £21k Cr

An underspend of £21k is projected for Management & Other. This is mainly due to a reduction in employers pension fund contributions as a result of an employee no longer needing to contribute to the Pension Fund.

11 Mayoral - £18k Cr

An underspend of £18k is projected for Mayoral Services. This is due to a vacant Mayoral attendant post £31k Cr , partially offset by an allowance for additional overtime to cover for the vacancy £10k Dr and a temp £3k Dr.

TRANSFORMATION & REGENERATION DIVISION

The 2015/16 projected outturn for Strategic Property Services is an overspend of £409k which consists of £566k Dr on Rental Income and £157k Cr on Strategic Property Services and Investment and Non-Operational Property.

12 Investment and Non-Operational Property (expenditure) £157k Cr

The forecast for expenditure on Investment and Non Operational Property is an underspend of £157k Cr. This includes the following items:

a) Anerley Business Centre - An underspend of £11k Cr is projected which mainly relates to business rates. It is assumed in this projection that the current management arrangements will continue, however the future of this site is under review and a further report to Members is due to be submitted in the near future which may change the position.

b) Surplus Properties - An overspend of £22k is projected. This relates to additional costs of £7k for utilities, £12k for business rates, and other minor variation of £3k.

c) Exchequer House (Bromley Old Town Hall). This building is vacant and listed. An underspend of £168k Cr is expected which consists of £9k Cr on premises, £102k Cr on business rates, £30k Cr on other hired and contracted services, £22k Cr on security costs and £5k Cr on pest control. The sale of this building is expected to be completed this financial year.

13 Investment Income £566k Dr

A net shortfall of £566k is expected on Investment Income. This includes the following items:

a) Shortfall of income on Investment Fund properties of £649k Dr.

For the past few years, contributions have been made to reserves to create an Investment Fund. A substantial part of this Fund has been used to buy Investment Properties. The capital spend to date on the purchase of these properties is £41.2m of which £28.5m relates to properties in Bromley High Street. The 2015/16 budget for the expected income is £3m and the income achieved from the properties purchased to date is £2.4m. A number of possible acquisitions are being considered.

b) Other variations in rental income net out to £83k Cr. This mainly relates to the additional income at Yeoman House from the NHS CCG with regards to the section 75 agreement, although this may not be on-going beyond 2017/18.

EARLY WARNING

INTU have been granted planning approval for a proposed new development at The Glades Shopping Centre, which involves internal alterations and extending on to the roof to provide a Cinema and new restaurants. These works are currently estimated to cost approx. £14m. INTU are still working on their detailed proposals for this project and have not yet requested Bromley's consent as Landlord and approval for funding. It is assumed, however, that they will want to proceed with this scheme in due course and Bromley's contribution to the cost of these works under the existing leasing arrangements would be approx. £2.1m. A detailed report will be submitted to Members, including proposed funding arrangements, once INTU have made a formal request and provided the business case.

14 **Sold Services (Net Budgets)**

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £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 :

Exemption from tendering arrangements for contract for Pension Fund Advice Service. This service comprises advice on the Local Government Pension Scheme governance, changes in regulations, scheme investments and strategy etc. The service was tendered in 2012 and a three year contract was awarded . This waiver relates to the award of a new contract for three years with the same contractor (with an option to extend for a further two years). Annual contract value £16k . Whole Life contract value £80k (over 5 years). Exemption sought under contract procedure rule 13.1.

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, the following virement has been actioned :

The Director of Corporate Services has agreed a virement of £3,200 from the budget for the Concessionary Fares Post Office contract to Customer Services.

Allocation of Contingency Provision for 2015/16

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year	
	£	£	£	£	£	£
Environmental Services						
Street Environment contract	60,000			60,000	60,000	0
Renewal and Recreation						
Planning Appeals - change in legislation	60,000			60,000	60,000	0
Care Services						
Public Health						
Transfer of 0 - 5 years old Services (health visitors etc)	1,901,000			1,901,000	1,901,000	0
Government Funding to meet cost of service	Cr 1,901,000			Cr 1,901,000	Cr 1,901,000	0
Education						
Reduction in Education Services Grant	400,000			400,000	400,000	0
General						
Provision for unallocated inflation	2,508,000	60,000		2,448,000	2,508,000	0
Provision for risk/uncertainty	2,193,000			2,193,000	2,193,000	0
Provision for cost pressures arising from variables	2,000,000			2,000,000	2,000,000	0
Provision for risk/uncertainty relating to volume and cost pressures	1,950,000			1,950,000	1,950,000	0
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,100,000			1,100,000	1,100,000	0
Changes in Parking Enforcement	1,000,000			1,000,000	1,000,000	0
Retained Welfare Fund	450,000			450,000	450,000	0
Freedom Passes	326,000		326,000	0	326,000	0
Deprivation of Liberty	314,000			314,000	314,000	0
Growth for Waste Services	300,000			300,000	300,000	0
Impact of Auto Enrolment (additional employee costs)	300,000			300,000	300,000	0
Grants to Voluntary Organisations	275,000			275,000	275,000	0
Disabled Facilities Grant RCCO	232,000			232,000	232,000	0
# Care Act - Revised Assessment Costs	2,876,000			2,876,000	2,876,000	0
Care Act - Funding from Better Care Fund	Cr 750,000			Cr 750,000	Cr 750,000	0
Care Act - Government Funding	Cr 1,848,000			Cr 1,848,000	Cr 1,848,000	0
Other Provisions	341,000			341,000	341,000	0
Organisational Efficiencies & Management costs - Further savings to be identified	Cr 300,000			Cr 300,000	Cr 300,000	0
	13,787,000	60,000	326,000	13,401,000	13,787,000	0
Grants included within Central Contingency Sum						
SEND Implementation Grant						
Grant related expenditure	176,819	148,343		28,476	176,819	0
Grant related income	Cr 176,819	Cr 148,343		Cr 28,476	Cr 176,819	0
Regional Lead for the SEND Reforms						
Grant related expenditure	62,000			61,924	61,924	Cr 76
Grant related income	Cr 62,000			Cr 61,924	Cr 61,924	76
Lead Local Flood Authorities						
Grant related expenditure	216,000		213,000	0	213,000	Cr 3,000
Adoption Reform						
Grant related expenditure	273,000			273,000	273,000	0
Grant related income	Cr 273,000			Cr 273,000	Cr 273,000	0
Tackling Troubled Families Grant						
Grant related expenditure	426,000			426,000	426,000	0
Grant related income	Cr 426,000			Cr 426,000	Cr 426,000	0
Transformation Challenge Award						
- expenditure	344,000			344,000	344,000	0
- income	Cr 344,000			Cr 344,000	Cr 344,000	0
Individual Electoral Registration Process						
- expenditure	102,000			102,000	102,000	0
- income	Cr 102,000			Cr 102,000	Cr 102,000	0
Domestic Abuse						
- expenditure				60,610	60,610	60,610
- income				Cr 60,610	Cr 60,610	Cr 60,610
Deprivation of Liberty Safeguards						
- expenditure				126,980	126,980	126,980
- income				Cr 126,980	Cr 126,980	Cr 126,980
Social Care innovation Grant						
- expenditure			100,000	0	100,000	100,000
- income			Cr 100,000	0	Cr 100,000	Cr 100,000
Housing Regulations						
- expenditure		3,000		0	3,000	3,000
- income		Cr 3,000		0	Cr 3,000	Cr 3,000
Total Grants	216,000	0	213,000	0	213,000	Cr 3,000
TOTAL CARRIED FORWARD	14,003,000	60,000	539,000	13,401,000	14,000,000	Cr 3,000

Notes:

(1) Approved by Executive 25th March 2015

Allocation of Contingency Provision for 2015/16 (continued)

Item	Carried Forward from 2014/15	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year	
	£	£	£	£	£	£
TOTAL BROUGHT FORWARD	14,003,000	60,000	539,000	13,401,000	14,000,000	Cr 3,000
Items Carried Forward from 2014/15						
Care Services						
Social Care Funding via the CCG under S256 agreements						
Invest to Save - Dementia and PD						
- expenditure	208,790	208,790		0	208,790	(2) 0
- income	Cr 208,790	Cr 208,790		0	Cr 208,790	0
Impact of Care Bill						
- expenditure	104,750	104,750		0	104,750	(2) 0
- income	Cr 104,750	Cr 104,750		0	Cr 104,750	0
Integration Funding - Better Care Fund						
- expenditure	300,000	300,000		0	300,000	(2) 0
- income	Cr 300,000	Cr 300,000		0	Cr 300,000	0
Helping People Home						
- expenditure	27,930	27,930		0	27,930	(2) 0
- income	Cr 27,930	Cr 27,930		0	Cr 27,930	0
Adoption Reform						
- expenditure	417,737	285,414		132,323	417,737	(2) 0
- income	Cr 417,737	Cr 285,414		Cr 132,323	Cr 417,737	0
Tackling Troubled Families						
- expenditure	1,260,151	225,580		1,034,571	1,260,151	(2) 0
- income	Cr 1,260,151	Cr 225,580		Cr 1,034,571	Cr 1,260,151	0
Step Up to Social Work						
- expenditure	72,159			72,159	72,159	0
- income	Cr 72,159			Cr 72,159	Cr 72,159	0
Public Health						
- expenditure	140,909			140,909	140,909	0
- income	Cr 140,909			Cr 140,909	Cr 140,909	0
Welfare Reform Funding for Housing						
- expenditure	65,063	65,063		0	65,063	(2) 0
- income	Cr 65,063	Cr 65,063		0	Cr 65,063	0
Chief Executive's						
Individual Electoral Registration						
- expenditure	19,000	19,000		0	19,000	(5) 0
- income	Cr 19,000	Cr 19,000		0	Cr 19,000	0
Education						
Early Years Grant						
- expenditure	18,808		18,808	0	18,808	(6) 0
- income	Cr 18,808		Cr 18,808	0	Cr 18,808	0
SEND Reform/Implementation						
- expenditure	307,357	307,357		0	307,357	(1) 0
- income	Cr 307,357	Cr 307,357		0	Cr 307,357	0
SEN Preparation for Employment						
- expenditure	45,941		45,941	0	45,941	(6) 0
- income	Cr 45,941		Cr 45,941	0	Cr 45,941	0
Public Protection & Safety						
Domestic Abuse						
- expenditure	26,570	26,570		0	26,570	(4) 0
- income	Cr 26,570	Cr 26,570		0	Cr 26,570	0
General						
YOT Service Strategy Review	76,500		76,500	0	76,500	(6) 0
Review of Placing Planning	11,000		11,000	0	11,000	(6) 0
Waste - 3 split bodied vehicles	558,000		558,000	0	558,000	(3) 0
Countryside & Woodland Improvement Works	40,000		40,000	0	40,000	(3) 0
Keston Ponds Dam	20,000		20,000	0	20,000	(3) 0
Local Plan Implementation	60,000		60,000	0	60,000	(7) 0
Biggin Hill Airport - Noise Action Plan	40,000		40,000	0	40,000	(7) 0
IT Purchase of Hardware for Disaster Recovery/Windows	122,000	122,000		0	122,000	(5) 0
Legal Case Work System Upgrade	29,900	29,900		0	29,900	(5) 0
Transparency Agenda	29,000	29,000		0	29,000	(5) 0
Staff Merit Awards (held in Contingency)	200,000			200,000	200,000	0
	1,186,400	180,900	805,500	200,000	1,186,400	0

Item	Carried Forward from 2014/15	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year	
	£	£	£	£	£	£
Grants included within Central Contingency Sum						
Winter Resilience Funding (Bromley CCG)						
- expenditure	366,480		15,002	351,478	366,480	0
- income	Cr 366,480		Cr 15,002	Cr 351,478	Cr 366,480	0
Total Grants	0	0	0	0	0	0
Total Carried Forward	1,186,400	180,900	805,500	200,000	1,186,400	0
GRAND TOTAL	15,189,400	240,900	1,344,500	13,601,000	15,186,400	Cr 3,000

Notes:

- (1) Approved by Executive 25th March 2015
- (2) Approved at Care Services PDS 23rd June 2015
- (3) Requested at Environment PDS 7th July 2015
- (4) Requested at Public Protection and Safety PDS 30th June 2015
- (5) Approved by Executive & Resources PDS 3rd June 2015
- (6) Requested at Education Budget Sub-Committee 30th June 2015
- (7) Approved at Renewal & Recreation PDS 24th June 2015

APPENDIX 4

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Education Services Grant	Cr 2,128	0	The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and grant reduces in-year as schools convert to academies. The full year effect of the 18 conversions estimated to occur during 2015/16 is £721k, and is included in the financial forecast for the 2017/18 budget.
Adult Education	Cr 601	382	The current overspend for the Adult Education Service has continued from 2013/14, and is expected to continue into at least part of 2016/17. Some efficiency savings have been implemented to help contain this, however there is a total income shortfall of £518k, with only a net reduction of £136k on running costs to offset this. A report is due to go to the July meeting of the Education PDS Committee which will present options to help contain this going forward.
Housing Needs - Temporary Accommodation	5,638	0	Pressures in Temporary Accommodation (TA) (Bed and Breakfast) in 2015/16 are forecast to be £543k overspent. However there is funding available in the central contingency to a maximum of £1.1m and it is assumed that this will be drawn down to reduce the overspend to a net zero
Assessment and Care Management - Care Placements	19,528	0	The current full year effect on client projections is £121k. This figure assumes the reduction in cost of £250k as a result of the management of demand at first point of contact is achieved.
Learning Disabilities Care Management	2,652	Cr 79	The full year effect on client projections is £83k credit in relation to Domiciliary Care and Direct Care payments budgets.
Residential, Supported Living, Shared Lives - Learning Disabilities	24,595	Cr 110	Despite a current year projected underspend, the full year effect is estimated at an overspend of £397k. This is because the forward assumptions are based on an increasing number of LD clients (clients expected to be placed in-year in 2015/16 will only have a part year cost in 2015/16 but a full year cost in 2016/17).
Residential, Supported Living, Flexible Support, Direct Payments - Mental Health	6,233	Cr 259	The full year effect impact is estimated at Cr £196k. However this should be treated with caution given that there is a degree of client misclassification for mental health.
Supporting People	1,413	Cr 40	The current year's projected underspend of £40k is expected to continue in 2016/17. This has arisen from inflationary savings and re-tendering / extending contracts at a reduced cost.
Children's Social Care - Placements	14,286	132	The full year effect impact is estimated at £42k. This can be analysed as £267k on placements, £72k credit for no recourse to public funds and £153k credit on leaving care clients.

APPENDIX 4

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Operational Property Services	375	78	<p>An overspend of £117k Dr is forecast for the planned service in 15-16. In previous years, the 10% management fee recharged to Education capital schemes contributed towards the cost of the service's corporate work. Due to the number of academy conversions, the total recharge has reduced significantly over the past couple of years. Unlike other Council sold services, however, this was not matched by an increase in income, as the majority of academies opted not to buy in to this service.</p> <p>The shortfall is likely to get worse as the remaining schools convert to academy status, and the service cannot reduce staffing levels further without causing operational issues. The budget is historic and assumes funding of approx. £200k from school related works (10% charges on works of approx. £2M). The latest capital programme suggests that most of this work will fall out in 16-17 and consequently the shortfall is expected to increase to £191K in 16-17.</p> <p>An historic shortfall in caretaking income of £11k Dr is expected to continue. These overspends are offset by a projected underspend of £50k Cr on the Walnuts Boiler Plant (mainly relating to gas) which is likely to be ongoing.</p>
Investment & Non-Operational Property	390	233	<p>Exchequer House (Bromley Old Town Hall). This building is vacant and listed. An underspend of £168k Cr is expected which consists of £9k Cr on premises, £102k Cr on business rates, £30k Cr on other hired and contracted services, £22k Cr on security costs and £5k Cr on pest control. The sale of this building is expected to be completed this financial year.</p>
Waste	1,986	100	<p>Although in the current year the expected saving as a result of the revision to the paper collection service is £100k below the expected saving of £250k. In subsequent years, the savings target will be exceeded by £250k as the full year saving is expected to achieve £500k.</p>
Parking	Cr 6,696	354	<p>1) For 2015/16 the income from bus lane contraventions is projecting a surplus of £267k, the full year effect of the reinstatement of the camera in Bromley North is only expected to achieve Cr £40k. 2) The additional income from off-street parking is expected to continue for future years, although it will be closely monitored and any major variances reported. 3) At this stage the full year effect of the legislation changes is projected to be Dr £1m, however the service is being reviewed over the next few months and options explored for the future of the service, with a report being presented to Members in September, which will also include a request to drawdown some of the £1m held in the Central Contingency.</p>