

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	Variation previously reported to Exec 15/07/15 £'000
Care Services	102,794	663	103,457	101,834	Cr 1,623	Cr 434
Education (incl. Schools' Budget)	5,124	469	5,593	6,122	529	468
Environment	32,095	1,010	33,105	32,959	Cr 146	404
Public Protection & Safety	2,120	0	2,120	2,100	Cr 20	0
Renewal and Recreation	9,214	181	9,395	9,260	Cr 135	Cr 30
Resources	37,869	1,470	39,339	39,023	Cr 316	206
Total Controllable Budgets	189,216	3,793	193,009	191,298	Cr 1,711	614
Capital and Insurances (see note 2)	20,980	0	20,980	20,980	0	0
Non General Fund Recharges	Cr 793	0	Cr 793	Cr 793	0	0
Total Portfolios (see note 1)	209,403	3,793	213,196	211,485	Cr 1,711	614
Central Items:						
Interest on General Fund Balances	Cr 2,741	0	Cr 2,741	Cr 3,341	Cr 600	0
Contingency Provision (see Appendix 3)	14,003	Cr 2,123	11,880	6,748	Cr 5,132	Cr 3
Other central items						
Reversal of Net Capital Charges (see note 2)	Cr 19,698	0	Cr 19,698	Cr 19,698	0	0
Contribution to Investment Fund and other Reserves	1,436	0	1,436	1,577	141	0
Subject to Approval Executive 2nd December						
Contribution to Growth Fund	0	0	0	6,500	6,500	0
Levies	1,427	0	1,427	1,427	0	0
Total other central items	Cr 16,835	0	Cr 16,835	Cr 10,194	6,641	0
Prior Year Adjustments						
Housing Benefits	0	0	0	Cr 459	Cr 459	0
Provision for redundancies re transferred services	0	0	0	Cr 300	Cr 300	0
Learning Disabilities	0	0	0	Cr 200	Cr 200	0
Mental Health	0	0	0	Cr 150	Cr 150	0
Total Prior Year Adjustments	0	0	0	Cr 1,109	Cr 1,109	0
Total All Central Items	Cr 5,573	Cr 2,123	Cr 7,696	Cr 7,896	Cr 200	Cr 3
Bromley's Requirement before balances	203,830	1,670	205,500	203,589	Cr 1,911	611
Carry Forwards from 2014/15 (see note 3)	0	Cr 1,186	Cr 1,186	0	1,186	1,186
Carry Forward from 2014/15 Delegated Authority - R&M	0	Cr 484	Cr 484	0	484	484
Adjustment to Balances	0	0	0	382	382	Cr 2,281
Revenue Support Grant	Cr 32,971	0	Cr 32,971	Cr 32,971	0	0
Business Rates Retention Top Up	Cr 9,950	0	Cr 9,950	Cr 9,950	0	0
Business Rates Retention	Cr 23,955	0	Cr 23,955	Cr 23,955	0	0
Section 31 Grants	Cr 504	0	Cr 504	Cr 504	0	0
New Homes Bonus	Cr 4,400	0	Cr 4,400	Cr 4,541	Cr 141	0
New Homes Bonus Top Slice	Cr 760	0	Cr 760	Cr 760	0	0
Local Services Support Grant	Cr 89	0	Cr 89	Cr 89	0	0
Collection Fund Surplus	Cr 2,300	0	Cr 2,300	Cr 2,300	0	0
Bromley's Requirement	128,901	0	128,901	128,901	0	0
GLA Precept	36,913	0	36,913	36,913	0	0
Council Tax Requirement	165,814	0	165,814	165,814	0	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)	2,123
	<u>3,793</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	Variation previously reported to Executive £'000
Education Care & Health Services	130,780	1,159	131,939	130,861	Cr 1,078	49
Environmental & Community Services	54,013	1,256	55,269	54,926	Cr 343	359
Chief Executive's Department	24,610	1,378	25,988	25,698	Cr 290	206
	209,403	3,793	213,196	211,485	Cr 1,711	614

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	24,118	24,124	6	1	80	Cr 192
3,389	Direct Services	3,200	3,200	3,229	29	2	0	
3,532	Learning Disabilities Care Management	3,879	3,703	3,744	41	3	Cr 79	136
1,949	Learning Disabilities Day and Short Breaks Service	1,953	1,953	1,953	0	4	0	
1,326	Learning Disabilities Housing & Support	1,250	1,320	1,320	0		0	
35,981		33,912	34,294	34,370	76		1	Cr 56
Operational Housing								
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,594	Housing Benefits	2,122	2,122	2,122	0		0	0
5,683	Housing Needs	5,638	6,312	6,312	0		0	470
	Housing funds held in contingency	0	0	0	0		0	Cr 470
4,088		3,515	4,189	4,189	0	5	0	0
Strategic and Business Support Service								
1,807	Strategic & Business Support	2,143	2,143	2,070	Cr 73	6	Cr 160	0
298	Learning & Development	305	305	265	Cr 40	6	0	0
2,105		2,448	2,448	2,335	Cr 113		Cr 160	0
Children's Social Care								
16,897	Care and Resources	17,855	17,828	18,010	182	7	55	248
1,783	Safeguarding and Quality Assurance	1,482	1,509	1,573	64		0	55
3,420	Safeguarding and Care Planning	5,520	5,526	5,510	Cr 16		0	Cr 38
3,583	Early Intervention and Family Support	652	652	667	15		77	0
2,101	Children's Disability Service	2,379	2,372	2,143	Cr 229		0	Cr 137
27,784		27,888	27,887	27,903	16		132	128
Commissioning								
3,101	Commissioning					8	78	0
	- Net Expenditure	4,283	4,288	4,181	Cr 107		0	0
1,199	Information & Early Intervention	Cr 1,535	Cr 1,535	Cr 1,505	30	9	Cr 77	0
	- Net Expenditure	1,265	1,265	1,215	Cr 50		77	0
	- Recharge to Better Care Fund	Cr 1,265	Cr 1,265	Cr 1,215	50	Cr 110	97	
24,054	Learning Disabilities	24,694	24,578	24,274	Cr 304	10	Cr 259	0
5,765	Mental Health Services	6,514	6,233	6,137	Cr 96	11	Cr 40	0
1,779	Supporting People	1,413	1,413	1,413	0	12	0	0
	Better Care Fund					13	0	0
	- Expenditure	18,331	18,331	18,331	0		0	0
	- Income	Cr 18,482	Cr 18,482	Cr 18,482	0		Cr 77	0
	- Variation on Protection of Social Care	0	0	80	Cr 80	Cr 77	0	
	NHS Support for Social Care					14	0	0
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	34,826	34,269	Cr 557		Cr 408	97
Public Health								
12,238	Public Health	12,582	14,483	13,839	Cr 644	14	Cr 50	Cr 1,118
	Management Action - Reduction in grant funding	0	0	Cr 277	Cr 277		0	Cr 298
Cr 12,601	Public Health - Grant Income	Cr 12,954	Cr 14,855	Cr 13,934	921		50	921
Cr 363		Cr 372	Cr 372	Cr 372	0		0	Cr 495
	Savings achieved early in 2015/16 for 2016/17	0	0	Cr 1,045	Cr 1,045	15	0	Cr 1,623
104,812	TOTAL CONTROLLABLE ECHS DEPT	102,609	103,272	101,649	Cr 1,623		Cr 435	Cr 1,949
1,401	TOTAL NON CONTROLLABLE	378	378	394	16		16	0
10,516	TOTAL EXCLUDED RECHARGES	9,404	9,431	9,431	0		0	0
116,729	TOTAL ECHS DEPARTMENT	112,391	113,081	111,474	Cr 1,607		Cr 419	Cr 1,949
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 SVCS DEPT	Cr	86	Cr	86	Cr	86	0	0
117,366	TOTAL CARE SERVICES PORTFOLIO		112,305		112,995		111,388	Cr	1,607
								Cr	419
								Cr	1,949

Reconciliation of Latest Approved Budget

£'000

2015/16 Original Budget

112,305

Carry forwards:

Social Care funding via the CCG under s256 (Invest to Save)

Dementia:

- expenditure		122
- income	Cr	122

Physical Disabilities:

- expenditure		87
- income	Cr	87

Impact of Care Bill

- expenditure		105
- income	Cr	105

Integration Fund - Better Care Fund

- expenditure		300
- income	Cr	300

Welfare Reform Grant

- expenditure		66
- income	Cr	66

Helping People Home Grant

- expenditure		28
- income	Cr	28

Winter Resilience

- expenditure		15
- income	Cr	15

Adoption Reform Grant

- expenditure		284
- income	Cr	284

Tackling Troubled Families Grant

- expenditure		887
- income	Cr	887

Other:

Housing Regulations Grant

- expenditure		3
- income	Cr	3

Social Care Innovation Grant

- expenditure		100
- income	Cr	100

Youth on Remand (LASPO) Reduction in Grant

- expenditure	Cr	18
- income		18

Transfer of Housing Strategy from R&R

51

ASC Early Intervention Service restructure

Cr 10

Deprivation of Liberty Safeguards Grant

- expenditure		127
- income	Cr	127

Independent Living Fund Grant

- expenditure		526
- income	Cr	526

Public Health Grant - Transfer of 0 - 5 years (Health Visitors)

- expenditure		1,901
- income	Cr	1,901

Increase in Cost of Homelessness/Impact of Welfare Reforms

649

690

2015/16 Latest Approved Budget**112,995**

REASONS FOR VARIATIONS

1. Assessment and Care Management - Dr £6k

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

	<u>Current</u> <u>Variation</u> £'000	<u>Previous</u> <u>Variation</u> £'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>		
Services for 65 +		
- Placements	-431	-116
- Domiciliary Care / Direct Payments	50	208
- Management of demand	0	-250
Services for 18 - 64		
- Placements	249	126
- Domiciliary Care / Direct Payments	98	32
Extra Care Housing	80	80
Staffing	-40	0
	<u>6</u>	<u>80</u>

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 current projections indicate that these will be achieved during the year.

Services for 65+ - Cr £381k

Since the last report for May, placements for the 65+ age group have reduced by 10. Domiciliary care and direct payments expenditure has also reduced during this period, reducing overall projected spend by £223k.

Services for 18 - 64 year olds - Dr £347k

Since the last report for May, placements for the 18 - 64 age group have increased by 3. Domiciliary care and direct payments expenditure has also increased during this period, increasing the overall projected spend by £189k.

Officers continue to work towards reducing costs in these area, whilst maintaining appropriate levels of care.

Extra Care Housing

The 3 external extra care housing schemes are showing a projected overspend of £80k. With the recent 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 were 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. These transfers have now taken place.

Staffing

At this point of the year, staffing costs are projected to underspend by £40k due to vacancies.

Contract Savings

As part of a savings exercise £110k savings have been estimated to be able to be taken across the division as part of contract savings made in year. This will follow through as a full year effect in 2016/17. This element has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

2. Direct Services - Dr £29k

Extra Care Housing - Dr £317k

The projected overspend in the in-house ECH service is analysed as £543k overspend on staffing offset by £226k of additional income from service users. High levels of need amongst some service users has resulted in increased staffing requirements in the units and although these costs are chargeable to clients based on their individual assessments, the additional costs outweigh any additional income.

Reablement - Cr £82k

The in-house Reablement service is currently projecting an underspend of £82k . This is after allowing for the additional expenditure from the expected recruitment to 2 vacant facilitator posts this financial year. As this service generates savings for the council by reducing or preventing the need for domiciliary care packages, it is vital that vacant posts can be recruited to.

Carelink - Dr £45k

The overspend relates to the non-achievement of savings in the 2015/16 budget which was to reduce the overnight capacity. Officers are looking at how this can be resolved without impacting on the service provision.

Transport - Cr £251k

The transport service is expected to underspend by £251k this year. This is due to staff vacancies and a reduction in vehicle hire contract costs as the vehicles are in the extension period which is at a lower cost. The service is due to be provided externally shortly, and the estimated savings for the remainder of the year for this contract is £60k. This element has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

3. Learning Disabilities Care Management - Dr £41k

An overspend of £24k relates to the provision of domiciliary care services and direct payments for adults aged 18 and over with a learning disability.

Staffing costs in the care management teams are projected to overspend by £52k. This is as a result of a delay in the implementation of £100k savings in the 2015/16 budget, which has now been resolved.

The budget for staffing in the team that is responsible for the Shared Lives scheme is projected to underspend by £35k as a result of a vacant post.

4. Learning Disabilities Day and Short Breaks Service - Cr £0k

The LD In-house services are to be provided externally shortly and this should release a saving in a full year of £200k in 2016/17. The part year saving for 2015/16 is estimated to be £30k. This element has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

5. Operational Housing - Dr 0k

Temporary Accommodation budgets are currently forecast to overspend the latest approved budget by £649k. 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, and first half of 15/16 has been 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 £1,119k 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.

The use of Bellegrave for temporary accommodation compared to placing clients in alternative accommodation has potentially saved the authority £270k during 2015/16.

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 funding held in Central Contingency.

6. Strategic and Business Support - Cr £113k

There is an anticipated underspend of £113k on ECHS Strategic and Business Support Division, of which £73k relates to salaries budgets and £40k to training in Learning and Development.

7. Children's Social Care - Dr £16k

The current projected overspend in Children's Social Care is £16k, with the main areas of under / overspending being:

Care and Resources - Dr £182k

Placements - Dr £339k

The budget for children's placements is projected to overspend in the region of £339k this year. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult. This projection represents an increase of £141k on the figure last reported.

Leaving Care - Cr £235k

The budget for the cost of clients leaving care continues to underspend for 16 and 17 year olds. For the 18 plus client group there continues to be differences between the amount being paid in rent and the amount reclaimable as housing benefit, mainly due to the welfare reforms. The current overspend is projected at £141k, and it is assumed that funding will be drawn down from contingency to offset this expenditure.

Staffing - Dr £78k

Staffing budgets for the service are predicted to overspend by £78k, including additional costs relating to the Emergency Duty Team.

Safeguarding & Quality Assurance - Dr £64k

No Recourse to Public Funds - Cr £12k

The projected cost to Bromley for people with no recourse to public funding has reduced this quarter. Additional budget was moved into this area for 2015/16, and the latest figures show a projected underspend on the budget, moving from a previously reported overspend. This budget does however remain volatile.

Care Proceedings - Dr £76k

Cost's in relation to care proceedings are currently expected to be £76k above the budget provision of £539k. The main areas of overspend are in independent social worker assessments and parenting residential assessments which are largely outside the control of the council.

Safeguarding & Care Planning - Cr £16k

There is a small underspend on staffing budgets projected for the service.

Early Intervention and Family Support - Dr £15k

There is a small overspend on staffing budgets projected for the service.

Children's Disability Service - Cr £229k

The projected underspend is analysed as: (i) Staffing £46k, (ii) Short Breaks service £138k, (iii) direct payments £21k and (iv) floating outreach service £24k.

8. Commissioning - Cr £107k

The net underspend of £107k comprises:

	Variation
	£'000
Staffing and related budgets (net)	Cr 13
Taxicard	Cr 30
Contracts	Cr 64
Carers	Cr 130
Savings found early in 2015/16 relating to 2016/17	130
Net underspend	<u>Cr 107</u>

The net projected underspend on Commissioning staffing and related budgets arises from a combination of savings arising from vacant posts partly offset by a post no longer attracting CCG funding, the use of agency staff and the requirement to make management savings in relation to a 2015/16 budget saving.

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 £64k and this relates to several different contracts. The Healthwatch contract is less than expected at the time the 2015/16 budget was prepared, efficiency savings have been achieved across a range of contracts and there is also a small projected underspend on the direct payments payroll contract. This contract varies according to volume and numbers are increasing so this element is a non-recurrent underspend.

Budgets for support to carers are anticipated to be underspent this year, partly in relation to support to voluntary organisations and partly in relation to direct payments. The Carers 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 13 below).

As part of a savings exercise £130k savings have been estimated to be able to be taken across the division as part of contract savings made in year. This will follow through as a full year effect in 2016/17. This element has been removed and is detailed separately in the narrative under paragraph 15.

9. Information and Early Intervention - Cr & Dr £50k

This new service area was created in April 2014 under the new Adult Social Care SERCOP and it encompasses any adult social care-related service or support for which there is no test of eligibility and no requirement for review. It includes: information and advice; screening and signposting; prevention and low-level support; independent advocacy. The Local Reform and Community Voices Grant is accounted for here.

An underspend of £200k is currently anticipated which is largely a continuation of the pattern of spend in 2014/15 but also reflects savings on the mental health community wellbeing and independent complaints advocacy contracts. The underspend 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.

Of this amount £150k has been identified as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

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 13 below).

10. Learning Disabilities - Cr £304k

The projected underspend has increased from the previous reported underspend of £110k and this is largely due to a combination of attrition, increased income from client contributions and the removal from the forecast of previous assumptions around ordinary residence. Also, start dates have been deferred for some previously assumed costs. Savings arising from contract efficiencies and associated inflation (£260k in relation to Learning Disabilities) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

The increased underspend masks pressures arising from transition clients, where some high cost placements have been made.

The projections still include a considerable level of assumption relating to uncertainties (e.g. remaining transition clients, increased needs, carer breakdowns, attrition, health funding, start dates etc). Based on the information currently available an underspend of £304k is anticipated but this could vary significantly as the year progresses.

11. Mental Health - Cr £96k

Based on current client PSR classifications, an underspend of £72k is anticipated on Mental Health care packages. 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. Savings arising from contract efficiencies and associated inflation (£60k in relation to Mental Health) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17. A further £180k has been identified as part of an early savings exercise and is also shown separately in paragraph 15.

There is a £24k saving anticipated on other mental health budgets and this arises mainly from the new arrangements for the Community Wellbeing service.

12. Supporting People - Cr £0k

A projected underspend in regard to additional limiting of inflationary increases and the effect of re-tendering / extending contracts at a reduced cost have resulted in an underspend of £65k. This has been identified as an early saving for 2016/17 and is also shown separately in paragraph 15. There were savings of £304k built in to the 2015/16 Supporting People budget and the £65k underspend is in excess of this.

13. Better Care Fund - Variation on Amount Earmarked to Protect Social Care - Cr £80k

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 £330k (£130k Carers, see paragraph 8 above, and £200k Information and Early Intervention, see paragraph 9 above) and it is assumed that this will contribute to other existing budgets within Commissioning. Of this £250k has been separately identified in paragraph 15.

14. Public Health - Cr £0k

On the 4th June the Chancellor announced in year budget reductions for 2015/16 of £200m nationally that are to be made by the Department of Health targeted at Public Health budgets that are devolved to Local Authorities. Current estimates suggest that the reduction for Bromley will be in the region of £921k. This reduction is ongoing for future years. This has been addressed by a combination of identified savings and further management action as follows:-

<u>Service Areas</u>	<u>Variation £'000</u>
General PH Staffing Teams	(33)
Sexual Health (incl Staff)	(137)
NHS Health Check Programme (incl Staff)	(130)
Health Protection	(7)
National Child Measurement Programme	0
Public Health Advice	0
Obesity	0
Physical Activity	0
Substance Misuse	(209)
Smoking and Tobacco	(42)
Children 5-19 Public Health Programme	2
Misc Public Health Programme	(52)
General PH costs	(36)
Sub-Total (net of PH Grant)	<u>(644)</u>
Public Health Grant	921
Management Action	(277)

Sub-Total (Controllable)	0
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The savings in the service areas are in the main to do with staffing adjustments, contract variations, reductions in contract volumes across the services, and running expense reductions.

In order to balance the Public Health budget in year, further management actions will have to be taken, see below. If there are any change or these cannot be found then other management actions will have to be found to replace them

<u>Service Areas</u>	<u>Variation</u> <u>£'000</u>
NHS Health Checks, Sexual Health, Obesity, smoking and tobacco - contract reductions and reductions in volumes and prescribing.	(189)
Staffing	(59)
Other in year savings to be identified	(29)
Total	(277)

15. Savings achieved early in 2015/16 for 2016/17 - Cr £1,045k

As part of the budget monitoring process a major savings exercise was carried out in Adult Social Care/Commissioning to identify potential savings in future years. Areas have been identified where savings can be found and can be taken early. The list below shows the in year benefit of 2015/16 and the savings that will accrue in a full year in 2016/17.

<u>Service Areas</u>	2015/16 £'000	2016/17 FYE £'000
Adult Social Care/Commissioning - Contract negotiations resulting in lower contract costs than anticipated	(430)	(430)
Transport Contract coming into effect December 2015	(60)	(143)
Direct Care Services contract coming into effect October 2015	(30)	(200)
Contract savings across Commissioning division	(130)	(130)
Mental Health - efficiencies with placements, planned moves and CCG funding	(180)	(180)
Supporting People - contract efficiencies obtained	(65)	(120)
Early intervention and information- contract efficiencies obtained	(150)	(150)
Total	(1,045)	(1,353)

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, waivers were approved as follows:

- (a) There was 1 contract waiver agreed for a contract valued at £353k.
- (b) There were 10 waiver's agreed for care placement's in both adults and children's services over £50k but less than £100k and 7 waiver's agreed for over £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" are included in financial monitoring reports to the Portfolio Holder. Since the last report, one virement of £34k has been actioned for the transfer of funding from Learning and Development to Children's Social Care. This is to fund locum cover for Children's social workers whilst they undertake training to progress to senior practitioners.

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 220	Cr 220	0	1	382	0
202	Alternative Education and Welfare Service	264	264	264	0		0	0
296	Schools and Early Years Commissioning & QA	396	396	289	Cr 107	2	Cr 137	Cr 74
4,633	SEN and Inclusion	4,833	4,833	5,107	274	3	Cr 59	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	178
Cr 1,493	Schools Budgets	Cr 1,509	Cr 1,509	Cr 1,509	0	5	0	0
139	Other Strategic Functions	133	133	159	26	6	0	0
1,257		1,607	2,000	2,193	193		186	104
Children's Social Care								
2,315	Bromley Youth Support Programme	1,473	1,549	1,885	336	7	282	40
2,303	Early Intervention Services	2,044	2,044	2,044	0		0	0
4,618		3,517	3,593	3,929	336		282	40
5,875	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	5,124	5,593	6,122	529		468	144
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	18,858	19,387	529		468	144
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 21	Cr 21	Cr 11	10	} 8	10	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 34	Cr 34		Cr 70	Cr 34
	Blenheim Nursery (RSG Funded)	0	0	Cr 40	Cr 40		Cr 50	Cr 40
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	Total Sold Services	Cr 82	Cr 82	Cr 146	Cr 64		Cr 110	Cr 74

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	76
Review of Place Planning carry forward	11
Early Years Grant carry forward - expenditure	19
Early Years Grant carry forward - income	Cr 19
SEN Preparation for Employment carry forward - expenditure	46
SEN Preparation for Employment carry forward - income	Cr 46
Regional Lead for the SEND Reforms - expenditure	62
Regional Lead for the SEND Reforms - income	Cr 62
Adult Education Supplementary Estimate	382

Latest Approved Budget for 2015/16

18,858

REASONS FOR VARIATIONS

1. Adult Education - Dr £0k

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, with a total income shortfall of £518k projected for 2015/16.

The service has managed to partly offset this with £120k of temporary staffing reductions and vacancies, in addition to other minor reductions in running expenses, resulting in a net overspend of £382k projected for 2015/16.

The service was market tested as a separate 'lot' with Education services during 2014/15, but no solution was found. Officers will be consulting on a proposed restructure to help contain this overspend going forward, the results of which be presented to members in due course.

A supplementary estimate is requested for the net effect of the grant reduction.

	Variations	
	£'000	
Skills Funding Agency grant/fee income		518
Supplies and services	Cr	16
Staffing	Cr	120
Supplementary Estimate (subject to Executive approval)	Cr	382
		<u>0</u>

2. Schools and Early Years Commissioning and Quality Assurance - Cr £107k

The two in-house nurseries are projected to generate a total surplus of £74k, a reduction since last monitoring due to corrections of double-counted income in 2014/15. 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 minor underspend of £10k is projected for Early Years, the restructure of which is now complete and will meet the £130k savings agreed for 2015/16, and the further £30k for 2016/17.

There are also net underspends of £23k within the School Standards team, mainly as a result of staff vacancies.

	Variations	
	£'000	
Blenheim Nursery	Cr	40
Community Vision Nursery	Cr	34
Early Years	Cr	10
School Standards	Cr	23
	Cr	<u>107</u>

3. SEN and Inclusion - Dr £274k

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 £40k underspend in the SEN assessment and monitoring team, and £39k on the Head of Service.

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

Although the travel training programme continues with success and has contributed to improved outcomes and help address annual volume increases, SEN transport is currently projected to overspend by £343k, based on modelling using historic data. However, the new contracts commenced on 01/09/2015 with a revised pricing framework, the impact of which isn't yet fully known. Recoupment income projections will also be updated at that time.

	Variations	
	£'000	
SEN assessment & monitoring team	Cr	40
Head of Service	Cr	39
Education Psychologists trading account		10
SEN transport		343
		<u>274</u>

4. Education Services Grant - Cr £0k

Current projections for the Education Services Grant (ESG) allocation is £569k 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, 7 on 1st September and a further 8 conversions expected during the year. The full year effect of these 18 conversions is £747k. 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 total projected net underspend of £75k will therefore be added to the £9.9m carried forward from 2014/15, against which £3.5m will be distributed as one-off funding to schools, £3m has been allocated for the Beacon House refurbishment, and £1m for growth in 2016/17.

Staffing vacancies in the School Standards team have resulted in a projected £58k underspend.

SEN placements costs are projected to overspend by a total of £397k, mainly due to a significant projected increase in pupil numbers in independent and out-borough placements, with 40 pupils aged 20-25 with EHC plans who wouldn't previously have been supported.

The SEN support costs budget for students in further education is currently projected to underspend by £163k.

There is a total underspend of £190k 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 £54k, 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 £58k. 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 further 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 £642k 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 working with Schools Forum to review the future funding of bulge classes. There is also a further £69k overspend relating to the rental of temporary modular classrooms for bulge classes.

An overspend of £70k relates to centrally held license for copyright, music licenses etc, due to notification from DfE that further licenses were to be held centrally by LA's after the budget had been set.

Finally, underspends are currently anticipated for Free Early Education funding, mainly due to a slowing of the increase in take-up seen in recent years.

	Variations
	£'000
School Standards	Cr 58
Bulge Classes	642
- Modular classroom rentals	69
MCAA,CLA etc licenses	70
Free Early Education - 2 year olds	Cr 369
Free Early Education - 3 & 4 year olds	Cr 356
SEN:	
- Placements	397
- Support in FE colleges	Cr 163
- Sensory support service	Cr 120
- Support in mainstream	Cr 70
- Specialist Support & Disability Service	0
- Pre-school service	Cr 54
- Transport	Cr 58
- Business Support	Cr 5
	Cr 75

6. Other Strategic Functions - Dr £26k

As part of the 2015/16 agreed savings, £60k was for management savings in Education. Some efficiencies have been identified to offset this, however £26k still remains to be met.

7. Youth Services - Dr £336k

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. The appropriate consultation processes have recently been completed and the revised structure is now in place.

There is also a projected overspend in the Youth Offending Team; as a consequence of the outcome of the recent HMIP inspection, it has been necessary to delay the planned restructure of the service. The review of the existing service and interim measures required to address immediate operational delivery requirements will result in an overspend of £88k.

	Variations
	£'000
Youth Services	248
Youth Offending Team	88
	336

8. 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. Since the last report to the Executive, one waiver has been approved:

A waiver was approved by the Portfolio Holder in June 2015 to enable urgent refurbishment works at a Children & Family Centre with a value of £426k

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, two virements have been approved:

A virement was approved by the Portfolio Holder in September 2015 for the creation of two posts in Community Vision nursery with a full year value of £47k, funded from the income received by offering additional places for 2 year olds.

A virement was approved by the Portfolio Holder in September 2015 for the creation of an Inclusion Officer post with a full year value of £35k, funded from DSG.

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
4,115	Street Scene & Green Space Area Management/Street Cleansing	4,048	4,036	3,986	Cr 50	1	Cr 50	0
2,429	Highways	2,542	2,512	2,512	0		0	0
Cr 42	Markets	Cr 2	Cr 2	Cr 42	Cr 40	2	0	Cr 40
5,745	Parks and Green Space	5,676	5,830	5,830	0		0	0
467	Street Regulation	513	513	513	0		0	0
17,613	Waste Services	17,853	18,082	17,866	Cr 216	3	100	Cr 260
30,327		30,630	30,971	30,665	Cr 306		50	Cr 300
545	Support Services Support Services	518	518	518	0		0	0
545		518	518	518	0		0	0
252	Transport & Highways Depots	275	275	275	0		0	0
6,921	Highways incl London Permit Scheme	6,794	7,169	7,359	190	4	0	80
Cr 6,496	Parking	Cr 6,696	Cr 6,402	Cr 6,432	Cr 30	5 - 9	354	Cr 30
176	Traffic & Road Safety	157	157	157	0	10	0	0
327	Transport Support Services	342	342	342	0		0	0
1,180		872	1,541	1,701	160		354	50
32,129	TOTAL CONTROLLABLE	32,095	33,105	32,959	Cr 146		404	Cr 250
6,238	TOTAL NON-CONTROLLABLE	5,332	5,315	5,299	Cr 16	11	Cr 15	0
2,221	TOTAL EXCLUDED RECHARGES	2,290	2,290	2,290	0		0	0
40,588	PORTFOLIO TOTAL	39,717	40,710	40,548	Cr 162		389	Cr 250

Reconciliation of Latest Approved Budget

£'000

Original Budget 2015/16

39,717

Repairs and Maintenance - carry-forward from 2014/15	33
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
Return to contingency - Waste 3 split-bodied vehicles underspend	Cr 200
Parking CCTV Equipment	306
Latest Approved Budget for 2015/16	40,710

REASONS FOR VARIATIONS

1. Area Management & Street Cleansing Cr £50k

Savings brought-forward as a result of the closure of public conveniences total £50k. There is a projected overspend of around £11k on fly-tipping offset by savings on non-routine street cleansing Cr £11k, resulting in a net underspend of £50k.

2. Markets Cr £40k

As a result of higher activity than budgeted, there is a projected over-achievement of income of £25k. Additionally, there is a projected net underspend of £15k across running expenses resulting in an overall underspend of £40k for the service.

3. Waste Services Cr £216k

Green garden waste disposal tonnages are projected to be 1,000 tonnes below budget mainly due to the weather, resulting in an underspend of £ to £45k. For information, the total projected tonnage of 14,820 tonnes is in line with the 2014/15 outturn.

Across the garden waste collection service, there is a projected underspend of £150k. This is a combination of projected underspend of £70k within staffing and running expenses, the continuing sale of green garden waste stickers Cr £15k, and projected surplus income for the garden waste subscription service of Cr £65k.

Disposal tonnages from increased trade waste delivered activity are projected to be 1,200 tonnes above budget resulting in an overspend of £172k. For information, there has been an additional 530 tonnes at the Weighbridges for the first five months of the year compared to the same period in 2014-15.

As a direct consequence of the extra tonnage described above, there is projected additional income within trade waste delivered of £200k. This more than offsets the disposal overspend from Weighbridge tonnage.

For other residual tonnages, there is a projected underspend of £80k. This is due to the diversion of 500 tonnes from residual waste to recycling, reducing the impact of landfill tax and also impacting positively on the payment mechanism.

Other overspends include Dr £35k relating to the purchase of bins / containers, largely for trade waste customers and depot refurbishment works.

Within paper recycling income, there is a projected deficit of £56k. This relates largely to an issue with 2015-16 paper tonnages that have been adversely affected by wet weather over recent months, and have not been able to be recycled in the usual way.

Within other income streams, there is a projected net surplus of £14k income from trade waste collected income and textile collections.

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.

The actual implementation of the changes began at the end of June, a month later than expected. However actual costs were far less than anticipated and the resulting level of savings is projected to be £240k in 2015/16, which is £10k below the target saving.

Prior to the implementation of the revised kerbside collection service, an amount of £558k was added into the waste budget to facilitate the purchase of 3 split bodied waste vehicles . As a result of successfully procuring vehicles cheaper than originally anticipated, there is an underspend of £200k which will now be returned to the central contingency.

Summary of overall variations within Waste Services

	£'000
Waste disposal tonnages - Green Garden Waste	Cr 45
Underspend from Green Garden Waste service	Cr 150
Waste disposal tonnages - Trade Waste Delivered	172

Trade waste delivered income	Cr	200
Waste disposal tonnages - other residual tonnage	Cr	80
Bins & weighbridge refurbishment		35
Paper recycling income		56
Trade waste collected and textile collection income	Cr	14
Delay in implementing revised kerbside collection arrangements		10
Underspend re 3 split bodied vehicles	Cr	200
Funds returned to central contingency re 3 split bodied vehicles		200
Total variation for Waste Services	Cr	216

4. Highways (Including London Permit Scheme) £190k

Within NRSWA income, there is a projected net deficit of £190k. This is partly the result of improving performance by utility companies in the area of defect notices, which has resulted in lower charges raised by the Council, and appears to be an ongoing trend.

5. Income from Bus Lane Contraventions Cr £426k

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 £426k 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.

6. Off Street Car Parking Cr £192k

Overall a surplus of £175k is projected for off street parking income. Cr £60k extra is expected from Village Way and the Civic Centre multi-storey car parks which is offset by a projected deficit of around £15k at the Hill MSCP. Additional income of £50k is projected from the Mitre Close surface car park. It should be noted that the average income at Mitre Close for April 2014 to February 2015 was £2k however in March 2015 this rose to £6k and has continued at this level from April to August 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. Other surface car parks show a projected net surplus of around £80k mainly in Beckenham and Chislehurst.

Additionally there is an underspend of £17k due to a one-off business rates rebate.

Summary of variations within Off Street Car Parking		£'000
Business Rate rebate	Cr	17
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	192

7. On Street Car Parking Cr £20k.

There is currently an overall variation projected for on Street car parking for 2015/16 of around Cr 20k.

8. Car Parking Enforcement Dr £638k

Based on activity levels up to August 2015, there is a projected net surplus of £178k from PCNs issued by Vinci in the current year due to an increase in contraventions. There is also a projected surplus of Cr £40k for old year tickets issued by CEOs.

A net deficit of Dr £856k is projected for mobile and static cameras due to changes in legislation from April 2015.

Summary of variations within Car Parking Enforcement		£'000
PCNs issued by wardens	Cr	218
PCNs issued by mobile & static cameras		856
Total variations within Car Parking Enforcement		638

9. Permit and Disabled Parking Cr £30k

Based on income and expenditure to the end of August 2015, it is projected that there will be a net £30k additional income.

Summary of overall variations within Parking:

	£'000
Bus Routes Enforcement	Cr 426
Business rates rebate	Cr 17
Off Street Car Parking	Cr 175
On Street Car Parking	Cr 20
Car Parking Enforcement	638
Permit and Disabled Parking	Cr 30
Total variation for Parking	Cr 30

10. Traffic & Road Safety £0k

EARLY WARNING - Although no variation is projected for 2015/16, there is a potential loss of income of £100k from TfL for advertising on bus shelters should the current contract be terminated in July 2016. Officers are currently seeking legal advice on whether this can be challenged, the outcome of which will impact upon whether alternative savings will be required when setting the 2016/17 budget.

11. Non-controllable Cr £16k

Within property rental income budgets, there is projected surplus income of £16k. Property division are accountable for these variations.

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	245	225	Cr 20	1	0	0
341	Mortuary & Coroners Service	353	353	353	0		0	0
1,607	Public Protection	1,511	1,522	1,522	0		0	0
2,259	TOTAL CONTROLLABLE	2,120	2,120	2,100	Cr 20		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	2,257	Cr 20		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

1. Community Safety Cr £20k

There is a projected underspend on salaries of £20k due to a combination of maternity leave and staff leaving earlier than budgeted as part of the savings options.

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, the following virements have been actioned:

- 1) A virement of £50k has been actioned within PPS budgets to fund additional works to combat illegal fly-tipping.

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							
	Commissioning Fund							
13	Commissioning Fund - expenditure	86	86	86	0		0	0
Cr 13	Commissioning Fund - reserve income	Cr 86	Cr 86	Cr 86	0		0	0
0		0	0	0	0		0	0
	Planning							
Cr 27	Building Control	14	14	Cr 21	Cr 35	1	Cr 30	0
Cr 164	Land Charges	Cr 168	Cr 168	Cr 168	0		0	0
433	Planning	617	612	542	Cr 70	2	0	0
1,090	Renewal	1,825	1,830	1,800	Cr 30	3	0	0
1,332		2,288	2,288	2,153	Cr 135		Cr 30	0
	Recreation							
1,940	Culture	1,973	2,104	2,135	31	4	17	0
5,087	Libraries	4,734	4,709	4,678	Cr 31	5	Cr 17	0
255	Town Centre Management & Business Support	219	294	294	0		0	0
7,282		6,926	7,107	7,107	0		0	0
8,614	Total Controllable R&R Portfolio	9,214	9,395	9,260	Cr 135		Cr 30	0
11,630	TOTAL NON CONTROLLABLE	3,916	4,028	4,028	0		0	0
2,159	TOTAL EXCLUDED RECHARGES	2,469	2,395	2,395	0		0	0
22,403	PORTFOLIO TOTAL	15,599	15,818	15,683	Cr 135		Cr 30	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2015/16

15,599

Repairs and Maintenance - carry-forward from 2014/15

112

Local Plan Implementation - carry-forward from 2014/15

60

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

40

Transfer of Housing budgets to Care Services Portfolio

Cr 44

Former Adventure Kingdom

Cr 55

Biggin Hill Memorial Museum

106

Latest Approved Budget for 2015/16

15,818

REASONS FOR VARIATIONS

1. Building Control Cr £35k

For the chargeable service, an income deficit of £145k is anticipated based on information to date. This is being offset by a projected underspend within salaries of £120k arising from reduced hours being worked and vacancies, as well as Cr £10k from within running expenses. In accordance with Building Account Regulations, the remaining net deficit of £15k will be met from the Building Control Charging account, thus reducing the cumulative surplus on that account from £130k to £115k.

Within the non-chargeable service there is a projected underspend of £35k, as a result of delays in not appointing to vacant posts, .

2. Planning Cr £70k

Income from non-major planning applications is £41k above budget for the first five months of the year, and a surplus of £80k is projected for the year. For information, actual income received for the period April to August is £29k higher than that received for the same period last year.

For major applications, £187k has been received for as at 31st August, 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 around £250k. Therefore a surplus of £50k 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 £60k from pre-application meetings due to higher than budgeted activity levels. For information, £84k has been received for the first five months of the year, compared with £77k for the same period in 2014/15.

Within income from street naming & numbering, a surplus of £50k is currently projected. For information, actual income received for the period April to August is £9k higher than that received for the same period last year.

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

As a direct result of losing planning appeals, there is a projected overspend of £30k. There is also a projected overspend of £90k relating to the use of consultants to provide specialist advice and to undertake planning application work, particularly in the period before the division was fully staffed. It is anticipated that both of these additional costs will be more than offset by surplus income.

Summary of variations within Planning:		£'000
Surplus income from major applications	Cr	50
Surplus income from non-major applications	Cr	80
Surplus pre-application income	Cr	60
Surplus street naming & numbering income	Cr	50
Overspend within employee related costs		50
Potential costs re lost appeals		30
Use of consultants to provide specialist advice & plan app work		90
Total variation for planning	Cr	<u>70</u>

6. Renewal Cr £30k

There is a projected net underspend across Renewal salaries of £30k due to part-year vacancies within the Planning Strategy & Projects team.

EARLY WARNING - Of the £60k carried-forward from 2014/15 for the Local Plan Implementation, it is likely that only £15k will be spent, and therefore a further carry-forward request will be made at year-end so that the costs of the Examination in Public can be met in 2016/17.

EARLY WARNING - Of the new homes bonus fund, there is a potential underspend of £100k, and therefore a carry-forward request will be made at year-end in order to enable outstanding works to be completed in 2016/17.

4. Culture Dr £31k

Although savings were built into the 2015/16 budget in anticipation of the closure of the Priory Museum, an overspend of £31k is projected, as the museum will now be closing on 1st October, as detailed in an earlier Executive report.

5. Libraries Cr £31k

Following a combination of strike action taken by a number of library staff in the period to August 2015, as well as staff vacancies, there is a projected underspend of £60k. Of this, £29k is being re-invested within the IT budget to replaced obsolete stock. The remaining balance of £31k is being used to offset the overspend within Culture, 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. 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.

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	6,340	6,339	Cr 1		Cr 53	
495	Financial Accounting	495	864	864	0		0	
1,179	Management Accounting	1,109	1,113	1,058	Cr 55	1	Cr 48	
8,372	Total Financial Services Division	8,195	8,519	8,463	Cr 56		Cr 101	0
	CORPORATE SERVICES DIVISION							
4,386	Information Systems & Telephony	4,394	4,516	4,506	Cr 10	2	0	
	Operational Property Services							
419	Operational Property	375	375	457	82	3	78	175
1,809	Repairs & Maintenance (All LBB)	1,920	2,354	2,354	0	4	0	
945	Customer Services (inc. Bromley Knowledge)	923	937	1,008	71	5	0	36
	Legal Services & Democracy							
685	Electoral	312	312	310	Cr 2	6	0	
1,450	Democratic Services	1,383	1,383	1,367	Cr 16	7	0	
Cr 106	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 104	Cr 10	8	0	
1,447	Legal Services	1,548	1,578	1,578	0		0	
1,613	Admin. Buildings	1,613	1,613	1,607	Cr 6	9	Cr 24	
481	Facilities & Support	467	467	438	Cr 29	10	Cr 50	
166	Management and Other (Corporate Services)	148	148	168	20	11	0	
13,295	Total Corporate Services Division	12,989	13,589	13,689	100		4	211
	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	703	Cr 30	12	Cr 18	
379	Financial Systems	421	421	421	0		0	
427	Procurement	446	446	446	0		0	
1,726	Exchequer - Payments & Income	1,516	1,547	1,533	Cr 14	13	Cr 17	
201	Comms	213	213	182	Cr 31	14	Cr 31	
601	Management and Other (C. Exec)	786	836	811	Cr 25	15	Cr 22	
141	Mayoral	144	144	127	Cr 17	16	Cr 18	
4,245	Total Chief Executive's Division	4,259	4,340	4,223	Cr 117		Cr 106	0
	TRANSFORMATION & REGENERATION DIVISION							
	Strategic Property Services							
214	Investment & Non-Operational Property	390	390	233	Cr 157	17	Cr 157	Cr 185
550	Strategic Property Services	606	635	635	0		0	
Cr 5,630	Investment Income	Cr 7,393	Cr 7,393	Cr 7,479	Cr 86	18	566	Cr 544
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 7,435	Cr 243		409	Cr 729
21,694	Total Controllable Departmental Budgets	19,765	20,801	20,485	Cr 316		206	Cr 518
	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	10,996	10,996	0		0	
39,569	Total Controllable	37,869	39,339	39,023	Cr 316		206	Cr 518

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 19,376	Cr 19,376	0		0	
Cr 1,384	Less: R&M allocated across other Portfolios	Cr 1,522	Cr 1,617	Cr 1,617	0		0	
833	Less: Rent allocated across other Portfolios	824	824	824	0		0	
18,098	TOTAL CHIEF EXECUTIVE'S DEPARTMENT	21,114	22,537	22,221	Cr 316		206	Cr 518
18,098	TOTAL RESOURCES PORTFOLIO	21,114	22,537	22,221	Cr 316		206	Cr 518
	Memorandum Item					19		
	Sold Services							
31	Facilities (Caretaking) Schools Trading Account	12	12	46	34		33	
Cr 6	Reactive Maintenance Schools Trading Account	0	0	1	1		0	
25	Total Sold Services	12	12	47	35		33	0

Reconciliation of Final Budget	£'000
Original budget 2015/16	21,114
Repairs and Maintenance carry forward from 2014-15 (delegated authority)	484
Les R & M Cfdw allocated to ECS	Cr 145
Concessionary Fares	438
Liberata contract - Effect of updated Pension Contributions re HR, Finance, Fairer Charging / A & D	37
Adj. re Housing Strategy Service Excluded Recharges	Cr 7
Adj. re Adventure Kingdom Excluded Recharges	55
Adj. re Impower savings	10
Carry forwards from 2014-15	
- 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
Increase in credit/debit card charges (relating to £27m of transactions)	120
Individual Electoral Registration - Expenditure	97
Individual Electoral Registration - Grant Income	Cr 97
Smartphone Counter Fraud App - Expenditure	112
Smartphone Counter Fraud App - Grant Income	Cr 112
Fees re Pensions Investment Proposal	200
Legal fees re Residential Property Acquisitions	50
Latest Approved Budget for 2015/16	22,537

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1 Management Accounting - £55k Cr

An underspend of £55k Cr is projected for Management Accounting. This mainly relates to vacant posts.

CORPORATE SERVICES DIVISION

2 Information Systems & Telephony - £10k Cr

An underspend of £10k Cr is projected for Information Systems. This mainly relates to employee costs as a result of staff vacancies.

3 Operational Property Services - £82k Dr

An overspend of £82K is projected for Operational Property this year. This relates to the following :

An overspend of £67k 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 capital programme suggests that most of this work will fall out in 16-17 and consequently the shortfall is expected to increase to £164K in 16-17.

A historic shortfall in caretaking income of £11k Dr is expected to continue. Other minor variations this year net out to £4k Dr.

4 Repairs & Maintenance (All LBB)

The current forecast for R & M is spend to budget, however there are some issues which could impact on this (see early warning below). 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.

EARLY WARNING

A problem has been identified with the tile cladding for the Central Library / Churchill Theatre. Various options are being considered, however the preferred option is estimated to cost £180k. This was not included in the plan for this year and could therefore result in an overspend if it proceeds. There is, however, the Infrastructure Investment Reserve which could potentially cover this expenditure as a last resort.

5 Customer Services (inc. Bromley Knowledge) - £71k Dr

The projection for Customer Services is an overspend of £71k Dr. Savings of £113k Cr were built into the budget, of which £47k Cr related to 14-15. The new savings for 15-16 (£66k Cr) have been achieved, however the £47k Cr Channel Shift savings identified for 14-15 have not been achieved to date. There are annual maintenance costs of £36k Dr associated with the maintenance of the Customer Services portal. The first years maintenance cost was funded from the Invest to Save scheme, however the ongoing funding for this has not yet been identified. This is resulting in a projected overspend of £27k Dr this year (with a full year on-going cost of £36k Dr). Other minor variations total £3k Cr.

EARLY WARNING

An Invest to Save scheme costing £330k was approved to invest in new technology for the Customer Services Centre. This sum was to be repaid from savings achieved following the transfer of services to the Centre. The 15-16 budget assumes savings of £75k will be achieved this year. Liberata are undertaking health check work to identify further savings. This is subject to final review at service level and includes work to improve debt recovery and negotiations around channel shift initiatives. So far this year, savings of £10k have been identified, however at this stage it is not possible to quantify the value of any further savings that might be achieved this year.

6 Electoral - £2k Cr

An underspend of £2k is projected for Electoral which is mainly due to minor variations in staffing.

7 Democratic Services - £16k Cr

A underspend of £16k Cr is projected for Democratic Services overall. An underspend of £28k Cr on Members Allowances is expected, mainly due to a freeze in allowance rates. This is offset by additional costs of £5k Dr on other hired & contracted services mainly due to private company appeals work. Other minor variations total to £7k Dr.

8 Registration of Births, Deaths & Marriages - £10k Cr

An underspend of £10k is projected for Registrar's which mainly relates to staffing.

9 Admin. Buildings - £6k Cr

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

10 Facilities & Support - £29k Cr

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

11 Management and Other (Corporate Services) - £20k Dr

This variation relates to a saving built into the 15-16 budget that has still to be identified.

CHIEF EXECUTIVE'S DIVISION

12 Audit - £30k Cr

An underspend of £30k Cr is projected for Audit. £18k Cr relates to a vacant post and the remaining £12k underspend results from additional income from admin. penalty charges.

13 Exchequer Services - Payments & Income - £14k Cr

An underspend of £14k Cr is projected for Payments & Income. £7k Cr is due to staffing. A further £10k Cr relates to the contracts budget. Other variations net out to £3k Dr.

14 Comms - £31k Cr

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

15 Management & Other (Chief. Exec.) - £25k Cr

An underspend of £25k Cr 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.

16 Mayoral - £17k Cr

An underspend of £17k Cr is projected for Mayoral Services. This variation mainly relates to staffing.

TRANSFORMATION & REGENERATION DIVISION

The 2015/16 projected outturn for Strategic Property Services is an underspend of £243k Cr which consists of £157k Cr on Investment & Non-Operational Property and £86k Cr on Investment Income.

17 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:

		£k	Note
Anerley Business Centre - Business Rates		-9	(a)
Surplus Properties			
- Business Rates	27		
- Utilities	6		
- Other minor variations	4	37	
	<u> </u>		
Exchequer House (Bromley Old Town Hall)			
- Business Rates	-102		
- Other Hired Services	-30		
- Security Costs	-22		
- Premises	-26		
- Pest Control	-5	-185	(b)
	<u> </u>		
Total		<u> </u>	
		-157	

a) It is assumed in this projection that the current management arrangements for Anerley Business Centre 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) Exchequer House (Bromley Old Town Hall) is vacant and listed. The sale of this building is expected to be completed this financial year.

18 Investment Income - £86k Cr

A net surplus of £86k Cr is projected for Investment Income which takes into consideration the following issues :

a) It is now projected that the budget of £3m, for properties purchased from the Investment Fund, will be achieved this year. For the past few years, contributions have been made to reserves to create an Investment Fund and 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 £53.4m of which £28.6m relates to properties in Bromley High Street. The 2015/16 budget for the expected income is £3m and the income projected this year from the properties purchased to date is £2.9m. The full year income from these properties is projected at £3.2m. The purchase of a further property was approved by the Executive in August at a cost of £6.3m. At the time of writing this report, this purchase had not completed, but assuming a completion date of 1st December would result in additional income this year of £125k and £375k in a full year. A full year effect of £544k is projected assuming the approved purchase completes. Further acquisitions are being considered, which if successful would result in additional income. These income projections do not take into account any loss of interest earnings on general fund balances as a result of the capital spend.

b) The projection for The Glades Shopping Centre Rent Share is in line with budget. Accounts are supplied by INTU quarterly in arrears. It is difficult to provide precise forecasts as LBB income is determined by the rental income from the shops and the level of contributions to any minor works. The budget for the Glades is £2,026k. The projection will be refined as more information becomes available from INTU.

c) Other variations in rental income net out to £86k Cr. This mainly relates to the additional income at Yeoman House from the NHS CCG with regards to the section 75 agreement of £68k Cr, 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.

19 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 Teachers Pension Assurance. The service relates to providing a reasonable assurance report for the teachers pension EOYCa return. Exemption is sought from the requirement to obtain three quotes. An exemption was previously sought for the 13/14 return and this exemption relates to the 15/16 return as a result of a change in auditor for the main statutory accounts. Annual contract value £8,750. Whole Life contract value £8,750. Cumulative contract value £17,500. Exemption sought under contract procedure rule 13.1.

Exemption from tendering arrangements for the extension of contracts for Insurance Premiums and the Insurance Brokerage service in order to standardise the renewal dates to 1st May 2016. A formal tendering exercise for insurance policies will be carried out during 2015/16 for arrangements to be in place from 1st May 2016. The waivers are in three lots; approval to extend existing Long Term Agreement expiry dates (total value £13k), approval to new contracts under single tender action (total value £85k) and extension of broking contract (total value (£10K). Value of previous extensions £138k (re 2014/15). Exemption is sought under Cpr 23.7 and Cpr 13.1.

Approval to award contract without competition for software licence and support for NDL AWI software. Contract term 7 years, annual contract value £11k, whole life contract value £79k. Exemption sought under Cpr 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 £50,000 from the budget for the Walnuts Boiler Plant to the budget for Planned Maintenance Team charges to Education capital schemes to help alleviate the budget shortfall in that area.

The Director of Finance has agreed a virement of £49,000, from Revenues & Benefits line of business software, to Financial Accounting for accounting advice re Mears.

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	0	1,901,000	0
Government Funding to meet cost of service	Cr 1,901,000		Cr 1,901,000	0	Cr 1,901,000	0
Winter Resilience Funding (Bromley CCG)						
- expenditure				116,750	116,750	116,750
- income				Cr 116,750	Cr 116,750	Cr 116,750
Education						
Reduction in Education Services Grant	400,000			520,000	520,000	120,000
General						
Provision for unallocated inflation	2,508,000	180,000		1,074,000	1,254,000	(2) Cr 1,254,000
Provision for risk/uncertainty	2,193,000			2,193,000	2,193,000	0
Provision for cost pressures arising from variables	2,000,000			0	0	Cr 2,000,000
Provision for risk/uncertainty relating to volume and cost pressures	1,950,000			0	0	Cr 1,950,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,100,000		649,000	451,000	1,100,000	0
Changes in Parking Enforcement	1,000,000		306,000	0	306,000	Cr 694,000
Retained Welfare Fund	450,000			450,000	450,000	0
Freedom Passes	326,000	326,000	112,300	0	438,300	(2) 112,300
Deprivation of Liberty	314,000			314,000	314,000	0
Growth for Waste Services	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
Pension Investment Proposal			200,000	0	200,000	200,000
Residential Property Acquisition			50,000	0	50,000	50,000
Biggin Hill Memorial Museum			106,000	0	106,000	106,000
Adult Education Supplementary Estimate			382,000	0	382,000	382,000
	13,787,000	506,000	1,805,300	6,548,000	8,859,300	Cr 4,927,700
Grants included within Central Contingency Sum						
SEND Implementation Grant						
Grant related expenditure	176,819	148,343		28,476	176,819	(1) 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		0	61,924	(4) Cr 76
Grant related income	Cr 62,000	Cr 61,924		0	Cr 61,924	76
Lead Local Flood Authorities						
Grant related expenditure	216,000	213,000		0	213,000	(2) 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			482,000	482,000	56,000
Grant related income	Cr 426,000			Cr 482,000	Cr 482,000	Cr 56,000
Transformation Challenge Award						
Grant related expenditure	344,000			344,000	344,000	0
Grant related income	Cr 344,000			Cr 344,000	Cr 344,000	0
Individual Electoral Registration Process						
Grant related expenditure	102,000		97,000	5,000	102,000	0
Grant related income	Cr 102,000		Cr 97,000	Cr 5,000	Cr 102,000	0
Domestic Abuse						
Grant related expenditure		60,000		610	60,610	(3) 60,610
Grant related income		Cr 60,000		Cr 610	Cr 60,610	Cr 60,610
Deprivation of Liberty Safeguards						
Grant related expenditure		126,982		0	126,982	(4) Cr 126,982
Grant related income		126,982		0	126,982	126,982
Social Care innovation Grant						
Grant related expenditure		100,000		0	100,000	(2) 100,000
Grant related income		Cr 100,000		0	Cr 100,000	Cr 100,000
Housing Regulations						
Grant related expenditure		3,000		0	3,000	(2) 3,000
Grant related income		Cr 3,000		0	Cr 3,000	Cr 3,000
Independent Living Fund						
Grant related expenditure			526,049	0	526,049	526,049
Grant related income			Cr 526,049	0	Cr 526,049	Cr 526,049

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	
	£	£	£	£	£	£
Helping People Home						
Grant related expenditure				40,000	40,000	40,000
Grant related income				Cr 40,000	Cr 40,000	Cr 40,000
Smartphone Counter Fraud App Grant						
Grant related expenditure			111,806	0	111,806	111,806
Grant related income			Cr 111,806	0	Cr 111,806	Cr 111,806
Total Grants	216,000	213,000	0	0	213,000	Cr 3,000
TOTAL CARRIED FORWARD	14,003,000	719,000	1,805,300	6,548,000	9,072,300	Cr 4,930,700

Notes:

- (1) Approved by Executive 25th March 2015
- (2) Approved by Executive 15th July 2015
- (3) Approved by Executive 9th September 2015
- (4) Approved by Executive 14th October 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	719,000	1,805,300	6,548,000	9,072,300	Cr 4,930,700
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	661,080	373,491	1,260,151	(2) 0
- income	Cr 1,260,151	Cr 225,580	Cr 661,080	Cr 373,491	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			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
- underspend to be returned to contingency		Cr 200,000		0	Cr 200,000	Cr 200,000
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	786,400	0	200,000	986,400	Cr 200,000

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	(8) 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	786,400	0	200,000	986,400	Cr 200,000
GRAND TOTAL	15,189,400	1,505,400	1,805,300	6,748,000	10,058,700	Cr 5,130,700

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
- (8) Approved by Executive 15th July 2015

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 £747k, and is included in the financial forecast for the 2017/18 budget.
Adult Education	Cr 601	0	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. The consultation on the proposed restructure was released on 16/10/15, the outcome of which will be reported to members in due course. A supplementary estimate is requested for 2015/16, with the balance being returned to the contingency in future years for the impact of the restructure (if approved).
Youth Services	1,549	336	Pressure to achieve the 2015-16 savings will continue in to the following financial year with a full year effect of £40k overspend, with the main challenge being the achievement of the budgeted level of Letting Income. Once the new service structure has been running for a period of time the opportunities for the achievement of letting income will be clearer and the aim will be to review the budget to minimise any negative impact.
Housing Needs - Temporary Accommodation	5,663	0	Pressures in Temporary Accommodation (TA) (Bed and Breakfast) in 2015/16 are forecast to be £649k 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	19,545	Cr 34	The current full year effect on client projections is estimated as Cr £192k. This figure includes the reduction in costs of £250k as a result of the management of demand at first point of contact that was included as part of the 2015/16 budget savings.
Learning Disabilities Care Management	2,676	24	The full year effect on client projections is estimated at £136k in relation to Domiciliary Care and Direct Payments budgets.
Learning Disabilities Day, Short Breaks and Housing & Support Services	3,273	Cr 30	The full year effect of the transfer of the service to an external provider is Cr £200k.
Residential, Supported Living, Shared Lives - Learning Disabilities	24,578	Cr 304	Despite a current year projected underspend, the full year effect is estimated at an overspend of £97k. 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 276	The full year impact of the current underspend is estimated at Cr £180k. However, as with LD above, this includes a number of assumptions so the figure is likely to vary.

APPENDIX 4

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Supporting People	1,413	Cr 65	The full year effect of the current year's projected underspend is Cr £120k. This has arisen from limiting inflationary increases paid to providers and re-tendering / extending contracts at a reduced cost.
Protection of Existing Social Care Services - Better Care Fund	4,250	Cr 330	There is expected to be a full year underspend of £250k on existing social care services protected by Better Care Funding. The relates to contracts in the Information and Early Intervention and Carers budgets.
Children's Social Care	27,887	16	The current full year effect impact for CSC is estimated at £128k. This can be analysed as £552k on placements, £55k for safeguarding and quality assurance, Cr £38k for no recourse to public funds clients, Cr £304k on leaving care clients and Cr £137 on services for children with disabilities.
Lubbock House	150	0	The current full year effect impact for the closure of Lubbock House is Cr £70k. Lubbock house closed in 2015/16 and this is the recovery of the remaining in year costs.
Day Opportunities	944	0	The current full year effect is Cr £100k. The invest to save reorganising Day Opportunities and operating on a new business model. Savings have been taken in previous years and this is the remaining amount.
Contract savings across Adult Social Care and Commissioning	48,490	Cr 460	The current full year effect is Cr £460k. Contracts have been challenged in terms of pricing and have been reorganised or prices increases kept to a minimum
Transport	1,852	Cr 311	The current full year effect is Cr £143k due to the tendering of the service. This could increase by a further £100k as the demand appears to have fallen for transport services and the contract is based on a cost per trip and therefore further reductions should be seen
Public Health	Cr 372	0	The current full year effect is Cr £495k. The service has seen an in year reduction in grant funding and has had to reorganise to reflect this position.
Operational Property Services	375	82	An overspend of £67k 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 capital programme suggests that most of this work will fall out in 16-17 and consequently the shortfall is expected to increase to £164K in 16-17. In addition, a historic shortfall in caretaking income of £11k Dr is expected to continue.

APPENDIX 4

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Customer Services	937	71	There are annual maintenance costs of £36k Dr associated with the maintenance of the Customer Services portal. The first years maintenance cost was funded from the Invest to Save scheme, however the ongoing funding for this has not yet been identified.
Investment & Non-Operational Property	390	Cr 157	An ongoing underspend of £185k Cr is projected for Exchequer House (Bromley Old Town Hall). This building is vacant and listed. The sale of this building is expected to be completed this financial year.
Investment Income	Cr 7,393	Cr 86	For the past few years, contributions have been made to reserves to create an Investment Fund and 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 £53.4m of which £28.6m relates to properties in Bromley High Street. The full year income from these properties is projected at £3.2m. The purchase of a further property was approved by the Executive in August at a cost of £6.3m. At the time of writing this report, this purchase had not completed, but assuming a completion date of 1st December would result in additional income of £375k in a full year. A full year effect of £544k is projected assuming the approved purchase completes. Further acquisitions are being considered, which if successful would result in additional income. These income projections do not take into account any loss of interest earnings on general fund balances as a result of the capital spend.
Markets	Cr 2	Cr 40	The current year trends of projected surplus income of £25k due to higher than budgeted activity, as well as underspends across running expenses of £15k are both expected to continue into 2016/17.
Waste	18,282	Cr 216	The full year effect of Cr £260k largely relates to savings associated with revisions to the kerbside paper collection service, which took effect from June 2015.
Highways (incl London Permit Scheme)	7,169	190	There is an expected income deficit within NRSWA income of £80k for 2016/17, largely as a result of continuing improved performance from utility companies and therefore lower charges raised by the Council. Officers are investigating options for setting realistic income expectations as part of the budget-setting process.
Parking	Cr 6,708	Cr 30	£30k surplus parking income is anticipated for 2016/17 which will be used to contribute towards the Highways deficit as part of the budget setting process.

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:

31 March 2015 £000	Service	Income £000	Expenditure £000	Transfers (to)/from Capital £000	Actual as at 31 Aug 2015 £000
					Revenue
680	Highway Improvement Works		1	- 295	384
45	Road Safety Schemes				45
121	Local Economy & Town Centres				121
53	Parking				53
847	Healthcare Services	241	35		1,053
11	Community Facilities (to be transferred to capital)				11
10	Other	-	-	-	10
1,767		241	36	(295)	1,677
					Capital
1,591	Education	1,398			2,989
4,856	Housing	822			5,678
0	Highway Improvement Works			295	295
6,447		2,220	-	295	8,962
8,214		2,461	36	0	10,639