

Renewal and Recreation Budget Monitoring Summary as at 31.12.2015

2014/15 Actuals £'000	Division Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
0	Commissioning Fund	0	0	0	0		0	0
0	Commissioning Fund	0	0	0	0		0	0
	Planning							
Cr 27	Building Control	14	14	Cr 7	Cr 21	1	Cr 35	0
Cr 164	Land Charges	Cr 168	Cr 168	Cr 168	0	2	0	0
433	Planning	617	612	567	Cr 45	3	Cr 70	0
1,090	Renewal	1,825	1,830	1,687	Cr 143	4	Cr 30	0
1,332		2,288	2,288	2,079	Cr 209		Cr 135	0
	Recreation							
1,940	Culture	1,973	2,104	2,165	61	5	31	0
5,087	Libraries	4,734	4,709	4,648	Cr 61	6	Cr 31	0
255	Town Centre Management & Business Support	219	294	268	Cr 26	7	0	0
7,282		6,926	7,107	7,081	Cr 26		0	0
8,614	Total Controllable R&R Portfolio	9,214	9,395	9,160	Cr 235		Cr 135	0
11,630	TOTAL NON CONTROLLABLE	3,916	4,028	4,027	Cr 1		0	0
2,159	TOTAL EXCLUDED RECHARGES	2,469	2,395	2,395	0		0	0
22,403	PORTFOLIO TOTAL	15,599	15,818	15,582	Cr 236		Cr 135	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 Heritage Museum

106

Latest Approved Budget for 2015/16

15,818

REASONS FOR VARIATIONS

1. Building Control Cr £21k

For the chargeable service, an income deficit of £160k is anticipated based on information to date. This is being offset by a projected underspend within salaries of £130k arising from reduced hours being worked and vacancies. In accordance with Building Account Regulations, the remaining net deficit of £30k will be met from the Building Control Charging account, thus reducing the cumulative surplus on that account from £130k to £100k.

Within the non-chargeable service there is a projected underspend of £21k, as a result of delays in appointing to vacant posts.

2. Land Charges Cr £0k

For the chargeable service, there is an income surplus of £5k projected based on information to date. Part year vacancies from staff leaving has resulted in an underspend of £24k and there is also a projected underspend of £5k on running expenses. In accordance with CIPFA guidance, the net surplus of £34k will be carried forward through the use of a reserve.

3. Planning Cr £45k

Income from non-major planning applications is £105k above budget for the first nine months of the year, and a surplus of £120k is projected for the year. For information, actual income received for the period April to December is £50k higher than that received for the same period last year.

For major applications, £289k has been received as at 31st December, which is £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 £200k. 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 £50k from pre-application meetings due to higher than budgeted activity levels. For information, £239k has been received for the first nine months of the year, this is in line with the income received for the same period in 2014/15.

Within income from street naming & numbering, a surplus of £35k is currently projected. For information, actual income received for the period April to December is £10k 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 £40k. There is also a projected overspend of £120k 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	120
Surplus pre-application income	Cr	50
Surplus street naming & numbering income	Cr	35
Overspend within employee related costs		50
Potential costs re lost appeals		40
Use of consultants to provide specialist advice & plan app work		120
Total variation for planning	Cr	<u>45</u>

4. Renewal Cr £143k

There is a projected net underspend across Renewal salaries of £83k due to part-year vacancies within the Regeneration and Planning Strategy & Projects teams. £20k of this underspend relates to staffing funded by the New Homes Bonus top slice.

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.

There is a potential underspend of £100k of the New Homes Bonus Top Slice funding (this includes the £20k for staffing), and therefore a carry-forward request will be made at year-end in order to enable outstanding works to be completed in 2016/17.

£34,680 of specialist consultancy work for the Noise Action Plan for Biggin Hill Airport has been met from the additional funding agreed by the Executive in Feb 2015 and June 2015. It is expected that further consultancy work of up to £65,320 will be required for the implementation of the Noise Action Plan during the next 15 months. The cumulative contract value for this work would total £100k. It is expected that at least £45k of this will need to be carried forward to 2016/17.

Summary of variations within Renewal:

	£'000
Underspend within employee related costs (excl NHB)	Cr 63
Local Plan Implementation (c/fwd request to be made to June Exec)	Cr 45
Underspend related to NHB top slice funded work (incl £20k staff)	Cr 100
Estimated costs relating to the noise action plan for Biggin Hill Airport	65
	<u>Cr 143</u>

5. Culture Dr £61k

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.

Additional costs of £20k have been incurred for security grills to secure the Priory building in preparation for when it becomes empty. £10k has been spent on museum artefact conservation work in advance of the new exhibitions.

6. Libraries Cr £61k

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 £90k. Of this, £29k is being re-invested within the IT budget to replaced obsolete stock. The remaining balance of £61k is being used to offset the overspend within Culture, thus ensuring an overall balanced budget for the Recreation division.

7. Town centre management Cr £26k

Underspend relates to the two NHB top slice projects. A request will be submitted to the Executive to carry forward this amount in order to complete the specific projects which were to have been delivered over two years, subject to the GLA agreeing the re-profile of spend.

Waiver of Financial Regulations:

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

1. £65,320 for further consultancy work required for the implementation of the Noise Action Plan for Biggin Hill Airport, a cumulative contract value of £100k.
2. Cumulative value of £119,907 for the procurement of eBooks and eAudio, annual amount £17,499.
3. Cumulative value of £99,925 for the procurement of large print books & audio books, annual amount £11,000.
4. Cumulative value of £58,134 for online service to give access to a wide range of Oxford University press reference materials, annual amount £8,219.

5. Cumulative value of £57,000 for the procurement of magazine & newspaper subscriptions online, annual amount £18,000.

Virements Approved to date under Director's Delegated Powers

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

Analysis of Members' Initiatives - Earmarked Reserves @ 31 December 2015

Item	Division / Service Area	Responsible Officer	Allocation £'000	Total spend during 2012/13, 2013/14 & 2014/15 £'000	Spend to Date 2015/16 £'000	Commitments & planned expenditure £'000	Total spend & commitments £'000	Balance available £'000	Comments on Progress of Scheme
Investment in small shopping parades	Recreation - Town Centre Management & Business Support	Martin Pinnell	250	206	16	28	250	0	£16k of the planned expenditure will take place during 2016/17.
Tackling youth unemployment	Recreation - Business Support	Lydia Lee	240	44	11	24	79	161	Contract with Bromley College has been terminated. Maximum potential spend in 2015/16 is £79k. Options for the remaining £161k are being explored.
Beckenham Town Centre public realm improvements	Planning - Renewal	Kevin Munnelly	100	100	0	0	100	0	Remaining balance of £150k to be used as funding for the Beckenham Town Centre Improvement Capital Project.
TOTAL			590	350	27	52	429	161	