

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 02/12/15 £'000
Care Services	102,794	Cr 1,916	100,878	97,232	Cr 3,646	Cr 1,623
Education (incl. Schools' Budget)	5,124	469	5,593	5,913	320	529
Environment	32,095	1,010	33,105	32,966	Cr 139	Cr 146
Public Protection & Safety	2,120	0	2,120	2,085	Cr 35	Cr 20
Renewal and Recreation	9,214	181	9,395	9,160	Cr 235	Cr 135
Resources	37,869	1,293	39,162	38,524	Cr 638	Cr 316
Total Controllable Budgets	189,216	1,037	190,253	185,880	Cr 4,373	Cr 1,711
Capital and Insurances (see note 2)	20,980	0	20,980	20,980	0	0
Non General Fund Recharges	Cr 793	Cr 59	Cr 852	Cr 852	0	0
Total Portfolios (see note 1)	209,403	978	210,381	206,008	Cr 4,373	Cr 1,711
Central Items:						
Interest on General Fund Balances	Cr 2,741	0	Cr 2,741	Cr 3,741	Cr 1,000	Cr 600
Contingency Provision (see Appendix 3)	14,003	Cr 5,808	8,195	2,708	Cr 5,487	Cr 5,132
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	141
Contribution to Growth Fund (Executive 2nd December)	0	6,500	6,500	6,500	0	6,500
Contribution to One-off Member Initiatives Reserve (Council 22nd February)	0	0	0	750	750	0
Subject to Approval Executive 23rd March						
Contribution to Business Rates Risk Reserve	0	0	0	2,800	2,800	0
Contribution to Growth Fund	0	0	0	6,000	6,000	0
Contribution to Earmarked Reserve for utilisation of 2015/16 underspends for one-off spend in 2016/17				461	461	0
Levies	1,427	0	1,427	1,427	0	0
Total other central items	Cr 16,835	6,500	Cr 10,335	Cr 183	10,152	6,641
Prior Year Adjustments						
Housing Benefits	0	0	0	Cr 597	Cr 597	Cr 459
Adult Education grant clawback	0	0	0	122	122	0
Tax liability	0	0	0	344	344	0
Backdated Council Tax Benefit adjustments	0	0	0	Cr 225	Cr 225	0
Provision for redundancies re transferred services	0	0	0	Cr 300	Cr 300	Cr 300
Learning Disabilities	0	0	0	Cr 200	Cr 200	Cr 200
Mental Health	0	0	0	Cr 150	Cr 150	Cr 150
Total Prior Year Adjustments	0	0	0	Cr 1,006	Cr 1,006	Cr 1,109
Total All Central Items	Cr 5,573	692	Cr 4,881	Cr 2,222	2,659	Cr 200
Bromley's Requirement before balances	203,830	1,670	205,500	203,786	Cr 1,714	Cr 1,911
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	185	185	382
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	Cr 141
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)	5,808
	7,478

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2015/16		Budget		2015/16		2015/16		Variation	
	Original	Variations	Latest	2015/16	Projected	Variation	previously	reported to	Executive	
	Budget	allocated in	Approved	Outturn	Outturn	Variation	Executive	Executive	Executive	
	£'000	year #	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Education Care & Health Services	130,780	Cr 1,420	129,360	126,116	Cr 3,244	Cr 1,078				
Environmental & Community Services	54,013	1,256	55,269	54,800	Cr 469	Cr 343				
Chief Executive's Department	24,610	1,142	25,752	25,092	Cr 660	Cr 290				
	209,403	978	210,381	206,008	Cr 4,373	Cr 1,711				

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	22,206	21,743	Cr 463	1	6	Cr 556
3,389	Direct Services	3,200	3,200	2,937	Cr 263	2	29	0
3,532	Learning Disabilities Care Management	3,879	3,758	3,739	Cr 19	3	41	186
1,949	Learning Disabilities Day and Short Breaks Service	1,953	982	910	Cr 72	4	0	0
1,326	Learning Disabilities Housing & Support	1,250	660	732	72		0	0
35,981		33,912	30,806	30,061	Cr 745		76	Cr 370
Operational Housing								
Cr 1	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,594	Housing Benefits	Cr 2,122	Cr 2,122	Cr 2,122	0		0	0
5,683	Housing Needs	5,638	6,312	6,362	50		0	254
	Housing funds held in contingency	0	0	0	0		0	Cr 254
4,088		3,515	4,189	4,239	50	5	0	0
Strategic and Business Support Service								
1,807	Strategic & Business Support	2,143	2,129	2,057	Cr 72	6	Cr 73	0
298	Learning & Development	305	271	231	Cr 40	6	Cr 40	0
2,105		2,448	2,400	2,288	Cr 112		Cr 113	0
Children's Social Care								
16,897	Care and Resources	17,358	17,221	17,093	Cr 128	7	182	153
1,783	Safeguarding and Quality Assurance	1,482	1,498	1,699	201		64	17
3,420	Safeguarding and Care Planning	5,520	5,597	5,644	47		Cr 16	0
3,583	Early Intervention and Family Support	1,149	1,149	1,169	20		15	0
2,101	Children's Disability Service	2,379	2,456	2,279	Cr 177		Cr 229	0
27,784		27,888	27,921	27,884	Cr 37		16	170
Commissioning								
3,101	Commissioning					8		
	- Net Expenditure	4,283	4,351	4,067	Cr 284		Cr 107	0
	- Recharge to Better Care Fund	Cr 1,535	Cr 1,535	Cr 1,352	183		30	0
1,199	Information & Early Intervention					9		
	- Net Expenditure	1,265	1,265	1,215	Cr 50		Cr 50	0
	- Recharge to Better Care Fund	Cr 1,265	Cr 1,265	Cr 1,215	50		50	0
24,054	Learning Disabilities	24,694	25,818	25,134	Cr 684	10	Cr 304	0
5,765	Mental Health Services	6,514	6,173	6,076	Cr 97	11	Cr 96	0
1,779	Supporting People	1,413	1,413	1,413	0	12	0	0
	Better Care Fund					13		
	- Expenditure	18,331	18,331	18,331	0		0	0
	- Income	Cr 18,482	Cr 19,232	Cr 19,232	0		0	0
	- Variation on Protection of Social Care	0	0	Cr 233	Cr 233		Cr 80	0
	NHS Support for Social Care					14		
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	35,319	34,204	Cr 1,115		Cr 557	0
Public Health								
12,238	Public Health	12,582	14,483	13,746	Cr 737	14	Cr 644	Cr 1,118
	Management Action - Reduction in grant funding	0	0	Cr 182	Cr 182		Cr 277	0
Cr 12,601	Public Health - Grant Income	Cr 12,954	Cr 14,855	Cr 13,936	919		921	919
Cr 363		Cr 372	Cr 372	Cr 372	0		0	Cr 199
	Savings achieved early in 2015/16 for 2016/17	0	430	Cr 1,257	Cr 1,687	15	Cr 1,045	Cr 2,388
104,812	TOTAL CONTROLLABLE ECHS DEPT	102,609	100,693	97,047	Cr 3,646		Cr 1,623	Cr 2,787
1,375	TOTAL NON CONTROLLABLE	378	378	460	82		16	0
10,398	TOTAL EXCLUDED RECHARGES	9,404	9,431	9,431	0		0	0
116,585	TOTAL ECHS DEPARTMENT	112,391	110,502	106,938	Cr 3,564		Cr 1,607	Cr 2,787
Environmental Services Dept - Housing								
169	Housing Improvement	185	185	185	0		0	0
169	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	185	185	185	0		0	0
104	TOTAL NON CONTROLLABLE	Cr 600	Cr 600	Cr 600	0		0	0
364	TOTAL EXCLUDED RECHARGES	329	329	329	0		0	0
637	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 86	Cr 86	Cr 86	0		0	0
117,222	TOTAL CARE SERVICES PORTFOLIO	112,305	110,416	106,852	Cr 3,564		Cr 1,607	Cr 2,787

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)	
<i>Dementia:</i>	
- expenditure	122
- income	Cr 122
<i>Physical Disabilities:</i>	
- expenditure	87
- income	Cr 87
<i>Impact of Care Bill</i>	
- expenditure	105
- income	Cr 105
<i>Integration Fund - Better Care Fund</i>	
- expenditure	300
- income	Cr 300
<i>Welfare Reform Grant</i>	
- expenditure	65
- income	Cr 65
<i>Helping People Home Grant</i>	
- expenditure	28
- income	Cr 28
<i>Winter Resilience</i>	
- expenditure	15
- income	Cr 15
<i>Adoption Reform Grant</i>	
- expenditure	285
- income	Cr 285
<i>Tackling Troubled Families Grant</i>	
- 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	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
LD Certitude pensions costs	
	33
Post transferred to Corporate Services	
	Cr 14
Care Act Government Funding	
	Cr 1,848
Care Act Better Care Funding	
	Cr 750
	Cr 1,889
2015/16 Latest Approved Budget	110,416

REASONS FOR VARIATIONS

1. Assessment and Care Management - Cr £463k

The underspend 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	-725	-431
- Domiciliary Care / Direct Payments	-35	50
Services for 18 - 64		
- Placements	283	249
- Domiciliary Care / Direct Payments	11	98
Extra Care Housing	103	80
Staffing	-100	-40
	<u>-463</u>	<u>6</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.

Services for 65+ - Cr £760k

Since the last report for August, residential placements for the 65+ age group have continued to reduce, with a further reduction of 8 clients and a reduction in spend of £294k. Domiciliary care and direct payments expenditure has also reduced during this period, reducing overall projected spend by a further £85k. The overall projected underspend to the end of December is £760k.

Services for 18 - 64 year olds - Dr £294k

Since the last report for August, placements for the 18 - 64 age group have increased by 3, increasing the overspend by a further £34k. Domiciliary care and direct payments expenditure has reduced during this period, reducing the overall projected spend by £87k. The overall projected overspend to the end of December is £294k. Officers continue to work towards reducing costs in these area, whilst maintaining appropriate levels of care.

Extra Care Housing - Dr £103k

The 3 external extra care housing schemes are showing a projected overspend of £103k. With the closure of the in-house scheme at Lubbock House in July 2015 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 - Cr £100k

The projected underspend has increased by £60k since August, and is now expected to be in the region of £100k. This is due mainly to difficulties in staff recruitment to vacant posts.

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 - Cr £263k

Extra Care Housing - Dr £35k

The projected overspend in the in-house ECH service is analysed as £593k overspend on staffing offset by £258k 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. Funding of £300k has been made available from the Better Care Fund to offset the cost pressure the service for 2015/16.

Reablement - Cr £98k

The in-house Reablement service is currently projecting an underspend of £98k . This is after allowing for the additional expenditure from the expected recruitment to 3 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 £51k

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. In addition, there has been reduced income from services provided to a housing association as the contract with them has been ended.

Transport - Cr £251k

The inhouse transport service was outsourced to GPS with effect from 1 December 2015. Initial indications indicate a higher saving than anticipated in the new service, however at this early stage this cannot be accurately quantified. Together with the expected underspend when the service was provided inhouse, no change's are being made to the projected outturn at this stage. £60k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

3. Learning Disabilities Care Management - Cr £19k

An underspend of £38k relates to the provision of domiciliary care services and direct payments for adults aged 18 and over with a learning disability. This has moved from a £24k overspend last reported.

Staffing costs in the care management teams are projected to overspend by £54k. 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 now provided externally and this should release a saving of £200k in 2016/17. The part year saving for 2015/16 is estimated to be £30k, the final figure will not be known until all final costs for the inhouse service have come through. 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 50k

There is a projected overspend of £82k relating to increased furniture storage costs, partly offset by a £32k underspend relating to rent deposits.

No variation is currently projected for Temporary Accommodation budgets, following the approval of £649k draw down of funds held in contingency by Executive in December 2015. Increased client numbers (average increase of 14 per month for 2015/16 to date, inclusive of welfare reform) and rising unit costs are evident, and the projections assume the trend continues for the rest of the financial year.

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.

In addition, by necessity there has been increasing use of non-self-contained accommodation outside of London. Although on the face of it this appears beneficial as the charges are lower, the housing benefit subsidy is capped at the Jan 2011 LHA rates (without the 90% + £40 admin formula that self contained accommodation attracts), thus often making these placements more costly than those in London, especially when the monitoring and furniture storage costs are factored in.

The full year effect of the projected overspend is currently anticipated to be a pressure of £254k in 2016/17. However, this only takes account of projected activity to the end of March 2016 and does not include any projected further growth in numbers beyond that point.

Although there is a full year effect 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 £112k

There is an anticipated underspend of £112k on ECHS Strategic and Business Support Division, of which £72k relates to salaries budgets and £40k to training in Learning and Development.

7. Children's Social Care - Cr £37k

The current projected underspend in Children's Social Care is £37k, with the main areas of under / overspending being:

Care and Resources - Cr £128k

Placements - Cr £135k

The budget for children's placements is projected to underspend in the region of £386k this year. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult. £250k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

Leaving Care - Cr £171k

The budget for the cost of clients leaving care continues to underspend for 16 and 17 year olds with a projected underspend of £321k. 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 £150k.

Staying Put - Dr £21k

Costs relating to children staying on in foster care placements is projected to be £94k. This exceeds the grant allocation of £73k by £21k.

Virtual School - Cr £2k

The budget for the virtual school is projected to underspend by £77k this year. £75k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

Staffing - Dr £159k

Staffing budgets for the service are predicted to overspend by £159k, including additional costs relating to the Emergency Duty Team.

Safeguarding & Quality Assurance - Dr £201k

No Recourse to Public Funds - Dr £8k

The projected cost to Bromley for people with no recourse to public funding has increased slightly from the figure last reported and is now showing an overspend position on the previously reported underspend of £12k. 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 £190k

Costs in relation to care proceedings are currently expected to be £190k 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. This is an increase of £114k on the figure last reported.

Safeguarding & Care Planning - Dr £47k

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

Early Intervention and Family Support - Dr £20k

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

Children's Disability Service - Cr £177k

The projected underspend is analysed as: (i) Staffing £114k, (ii) Short Breaks service £138k, (iii) direct payments £21k and (iv) floating outreach service £24k. The staffing saving has increased by £50k as some staffing costs are now funded from the Social Care Innovation Grant. £120k of this underspend has been removed as part of a savings exercise and is detailed separately in the narrative under paragraph 15.

8. Commissioning - Cr £284k

The net underspend of £284k comprises:

	Variation
	£'000
Staffing and related budgets (net)	Cr 70
Taxicard	Cr 30
Contracts	Cr 314
Savings found early in 2015/16 relating to 2016/17	130
Net underspend	<u>Cr 284</u>

The net projected underspend on Commissioning staffing and related budgets of £70k arises from a combination of savings arising from vacant posts partly offset by the use of agency staff. As part of the contract award for LD former direct care services, funding was set aside for a contract monitoring post and other potential Commissioning costs. There was a delay in appointing to the contract monitoring post and Commissioning costs have been contained where possible and this is reflected in the underspend.

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.

Commissioning contracts budgets are projected to be underspent by £314k 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. 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 £684k

The projected underspend on placements has increased from the previous reported position. There are many reasons for this movement but it can be largely attributed to a combination of deferring / removing previous assumptions from the forecast as a result of updated information, some clients at residential colleges being newly identified as funded from elsewhere and a client becoming the financial responsibility of another authority.

The projections still include some assumptions relating to uncertainties (e.g. increased needs, carer breakdowns, attrition, health funding, start dates etc). The reported position is based on the information currently available but this could still vary between now and year end.

In addition, there is a projected underspend reported on the revised arrangements for delivering the former in-house LD supported living, day care and respite services. A saving of £33k was anticipated in 2015/16 and the current likely saving is in the region of £47k, however this may vary as some uncertainties become clearer.

Savings arising from contract efficiencies and associated inflation (£260k in relation to Learning Disabilities) as well as other recurrent LD savings (placements and former in-house LD services contract) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

11. Mental Health - Cr £97k

Based on current client PSR classifications, an underspend is anticipated on Mental Health care packages. Similarly to Learning Disabilities above, at this stage the projections still include assumptions on future uncertainties (client moves, new placements, cost changes, health funding etc) and therefore may vary between now and the end of the financial year. Savings arising from contract efficiencies and associated inflation (£60k in relation to Mental Health) as well as recurrent savings on placements (£179k) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

There is a £44k saving anticipated on other mental health budgets and this arises mainly from the new arrangements for the Community Wellbeing service and a projected underspend on the s75 agreement with Oxleas. Again, the recurrent element of this has been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

12. Supporting People - Cr £0k

Activity relating to additional limiting of inflationary increases and the effect of re-tendering / extending contracts at a reduced cost have resulted in an underspend of £69k. This has been identified as an early saving for 2016/17 and is shown separately in paragraph 15. There were savings of £304k built in to the 2015/16 Supporting People budget and the £69k underspend is in excess of this.

13. Better Care Fund - Variation on Amount Earmarked to Protect Social Care - Cr £233k

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 £450k and it is assumed that this will contribute to other existing budgets within Commissioning. Of this £217k has been separately identified as advance achievement of 2016/17 savings in paragraph 15.

14. Public Health - £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. The reduction is £919k. 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	(44)
Sexual Health (incl Staff)	(198)
NHS Health Check Programme (incl Staff)	(212)
Health Protection	(7)
National Child Measurement Programme	(4)
Obesity	(20)
Substance Misuse	(256)

Smoking and Tobacco	(100)
Children 5-19 Public Health Programme	(12)
Misc Public Health Programme	(44)
General PH costs	(22)
Sub-Total (net of PH Grant)	<u>(919)</u>
Public Health Grant	919
Sub-Total (Controllable)	<u><u>0</u></u>

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, management action has had to be taken. If there are any change's or these cannot be found then other management actions will have to be found to replace them.

15. Savings achieved early in 2015/16 for 2016/17 - Cr £1,687k

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 in 2015/16 and the savings that will accrue in a full year in 2016/17.

	2015/16	2016/17
	£'000	FYE £'000
<u>Service Areas</u>		
Adult Social Care / Commissioning - Contract negotiations resulting in lower contract costs than anticipated	(430)	(430)
Closure of Lubbock House ECH	0	(70)
Day Opportunities - invest to save	0	(100)
Transport Contract effective from December 2015	(60)	(243)
LD Direct Care Services contract effective from October 2015	(30)	(200)
Contract savings across Commissioning division	(130)	(130)
Mental Health - efficiencies with placements, planned moves and CCG	(179)	(179)
Supporting People - contract efficiencies obtained	(69)	(120)
Adult Learning Disabilities services	(174)	(301)
Additional recurring underspend - Commissioning	(20)	(20)
Early intervention and information- contract efficiencies obtained	(150)	(150)
Youth on Remand	(250)	(250)
Virtual School	(75)	(75)
Children with disabilities	(120)	(120)
Total	<u><u>(1,687)</u></u>	<u><u>(2,388)</u></u>

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 were 2 contract waiver's agreed for a contract valued at £118k each
- (b) There were 17 waiver's agreed for care placement's in both adults and children's services over £50k but less than £100k and 4 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 £15k has been actioned for the transfer of funding from ECHS Strategic Support Division to Corporate IS Division. This is to fund short term IS-related work for a period of 6 months.

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 216	4	1	0	0
202	Alternative Education and Welfare Service	264	264	262	Cr 2	2	0	0
296	Schools and Early Years Commissioning & QA	396	396	255	Cr 141	3	Cr 107	Cr 81
4,633	SEN and Inclusion	4,833	4,833	5,076	243	4	274	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	5	0	75
Cr 1,493	Schools Budgets	Cr 1,509	Cr 1,509	Cr 1,509	0	6	0	0
139	Other Strategic Functions	133	133	152	19	7	26	0
1,257		1,607	2,000	2,123	123		193	Cr 6
Children's Social Care								
2,315	Bromley Youth Support Programme	1,473	1,549	1,823	274	8	336	62
2,303	Early Intervention Services	2,044	2,044	1,967	Cr 77	9	0	0
4,618		3,517	3,593	3,790	197		336	62
5,875	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	5,124	5,593	5,913	320		529	56
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	19,178	320		529	56
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 21	Cr 20	Cr 20	0	} 10	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 41	Cr 41		Cr 34	Cr 41
	Blenheim Nursery (RSG Funded)	0	0	Cr 40	Cr 40		Cr 40	Cr 40
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	Total Sold Services	Cr 82	Cr 81	Cr 162	Cr 81		Cr 64	Cr 81

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
SEND Regional Lead (ex-Pathfinder) grant - expenditure	62
SEND Regional Lead (ex-Pathfinder) grant - income	Cr 62
Adult Education Supplementary Estimate	382

Latest Approved Budget for 2015/16

18,858

REASONS FOR VARIATIONS

1. Adult Education - Dr £4k

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, prior to the £382k supplementary estimate allocation agreed by Executive in December 2015.

The service has now consulted on a restructure which should result in full year savings of £275k subject to further changes to future grant levels. The restructure was approved by Executive as its meeting on 10th February 2016.

There is a minor net overspend of £4k projected for the service.

2. Alternative Education and Welfare Service - Cr £2k

A minor overspend has arisen in staffing costs, offset by an increase in Penalty Charge Notice income collection, resulting in a projected net £2k underspend.

3. Schools and Early Years Commissioning and Quality Assurance - Cr £141k

The two in-house nurseries are projected to generate a total surplus of £81k. 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.

An underspend of £41k is projected for Early Years, the restructure of which resulted in early achievement of the further £30k savings agreed for 2016/17 in addition to the £130k agreed for 2015/16.

There are also net underspends of £19k within the School Standards team, mainly as a result of staff vacancies.

	Variations	
	£'000	
Blenheim Nursery	Cr	40
Community Vision Nursery	Cr	41
Early Years	Cr	41
School Standards	Cr	19
	Cr	141

4. SEN and Inclusion - Dr £243k

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 SEN Implementation and Preparation for Employment grants are expected to underspend by a total of £90k. Some of the expenditure planned against these grants is expected to occur in 2016/17, so these amounts will be requested for carry forward approval.

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, as well as much reduced use of tribunal consultancy, has resulted in a projected £125k underspend in the SEN assessment and monitoring team, and £41k on the Head of Service.

SEN Transport

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport is currently projected to overspend by £499k. A significant part of this relates to the cost of the new contracts which commenced on 01/09/2015 with a revised pricing framework, which, with no provision for inflation over the life of the contracts, are assumed to have front-loaded inflationary increases.

As noted in the contract award report approved by Executive in March 2015, the impact of these inflationary increases is compounded by the pricing under the previous framework, awarded in 2010; the economic climate at that time and during much of the contract period had led to keen pricing with no increase to many of the prices.

It is estimated that travel training has resulting in around £200k saving for 2015/16; however a large amount of this will have to repay the Invest to Save scheme so won't be realised this finance year.

In addition, there are volume increases due to the increase in statutory age range to 0-25 years, which is also noticeably impacting on the DSG funded SEN placements/support and special school/special unit funding, as shown in note 6 below.

The projected overspend of £499k is an increase of £156k compared the second quarter projection, which was based on modelling using historic data which didn't reflect the impact of the transport route changes from September and the related recoupment income projections, and the full impact of the new contract pricing.

Since these projections, which were based on expenditure and activity as at the end of December 2015, the latest projections show a slight reduction of £12k to £487k.

	Variations	
	£'000	
SEN assessment & monitoring team	Cr	125
Head of Service	Cr	41
SEND Implementation Grant	Cr	80
SEND Preparation for Employment	Cr	10
SEN transport		499
		243

5. Education Services Grant - Cr £0k

Current projections for the Education Services Grant (ESG) allocation is £524k 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 3 since then. No more are expected this financial year. The full year effect of these 14 conversions is £599k. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

6. 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 overspend of £0.5m will therefore reduce the £9.9m carried forward from 2014/15. Along with the £3.5m distributed as one-off funding to schools and £3m for the Beacon House refurbishment, £2.5m has been agreed for growth in 2016/17 to balance the budget, so the underspend has now been fully spent/allocated.

Staffing vacancies in the School Standards team and the redundant Head of Behaviour post have resulted in projected net underspends of £58k and £64k respectively.

SEN placements and support costs are projected to overspend by a total of £720k, mainly due to a significant projected increase in pupil numbers in independent and out-borough placements, including pupils aged 20-25 with EHC plans who wouldn't previously have been supported. There has also been an increase in the average level of matrix support provided to schools.

In addition, a total of £816k increase in funding has been agreed for Special Schools and Units. In general these have only been agreed to reduce the need for even more costly independent/out-borough placements.

The SEN support costs budget for students in further education is currently projected to underspend by £84k.

There is a total underspend of £133k 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 £63k, mainly on staffing costs, and reduction in pre-school support. 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 £130k. 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 £1m on the £1.5m budget. This £1.5m included the additional £500k which was agreed to be added to the budget for two years, funded from the DSG carry forward. Schools Forum reviewed the future funding of bulge classes and decided not to make any changes for 2016/17, however this will be reviewed again for 2017/18, especially in light of the projected pressures across DSG as a whole. There is also a further £150k overspend projected 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
Behaviour Service	Cr	64
Bulge Classes		1,067
- Modular classroom rentals		150
Consultancy etc		86
Special Schools/units		816
PSAG	Cr	20
MCAA,CLA etc licenses		70
Free Early Education - 2 year olds	Cr	544
Free Early Education - 3 & 4 year olds	Cr	520
Standards Fund Grant	Cr	745
SEN:		
- Placements		720
- Support in FE colleges	Cr	84
- Sensory support service	Cr	107
- Support in mainstream	Cr	26
- Pre-school service	Cr	63
- Transport	Cr	130
- Business Support	Cr	5
		543

7. Other Strategic Functions - Dr £19k

As part of the 2015/16 agreed savings, £60k was for management savings in Education. Some efficiencies have been identified to offset this, however £19k still remains to be met.

8. Youth Services - Dr £274k

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 £153k. Additionally, there is an in-year reduction of £29k in the funding from the Youth Justice Board.

	Variations £'000
Youth Services	92
Youth Offending Team	182
	<hr/> 274 <hr/>

9. Early Intervention Services - Cr £77k

There is a £120k savings target in this service which will be met through cost efficiencies achieved by reducing the commissioning budget and providing in house run activities. During the year there have also been turnover savings which will contribute towards an underspend of £77k.

10. 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, no such waivers have been approved.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, one virements has been approved to transfer £100k from Free Early Education (PVI's) to maintained nurseries.

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
77	Public Protection Emergency Planning	75	75	75	0		0	0
77		75	75	75	0		0	0
	Street Scene & Green Space							
4,115	Area Management/Street Cleansing	4,048	4,036	3,986	Cr 50	1	Cr 50	0
2,429	Highways	2,542	2,512	2,640	128	2	0	0
Cr 42	Markets	Cr 2	Cr 2	Cr 45	Cr 43	3	Cr 40	Cr 40
5,745	Parks and Green Space	5,676	5,830	5,852	22	4	0	0
467	Street Regulation	513	513	511	Cr 2	5	0	0
17,613	Waste Services	17,853	18,082	17,924	Cr 158	6	Cr 216	Cr 270
30,327		30,630	30,971	30,868	Cr 103		Cr 306	Cr 310
	Support Services							
545	Support Services	518	518	518	0		0	0
545		518	518	518	0		0	0
	Transport & Highways							
252	Depots	275	275	275	0		0	0
6,921	Highways incl London Permit Scheme	6,794	7,169	7,504	335	7	190	145
Cr 6,496	Parking	Cr 6,696	Cr 6,402	Cr 6,747	Cr 345	8-13	Cr 30	Cr 85
176	Traffic & Road Safety	157	157	157	0	14	0	0
327	Transport Support Services	342	342	316	Cr 26	15	0	0
1,180		872	1,541	1,505	Cr 36		160	60
32,129	TOTAL CONTROLLABLE	32,095	33,105	32,966	Cr 139		Cr 146	Cr 250
6,238	TOTAL NON-CONTROLLABLE	5,332	5,315	5,282	Cr 33	16	Cr 16	0
2,221	TOTAL EXCLUDED RECHARGES	2,290	2,290	2,290	0		0	0
40,588	PORTFOLIO TOTAL	39,717	40,710	40,538	Cr 172		Cr 162	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, which is offset by savings on non-routine street cleansing Cr £11k, resulting in a net underspend of £50k.

2. Highways SSGS Dr £128k

There is a projected underspend on salaries of £17k due to vacancies partly offsets the additional monitoring carried out by the contractor of Dr £25k.

Due to the mild winter to date there is a projected underspend of around £14k on the Snow Friends budget.

Overspend on public rights of way of £13k due to works undertaken for overhanging vegetation.

There is an increase in income from Street traders licensing of £27k due to an increase in the number of license applications being received. Similarly income from Skip licenses is expected to be Cr £41k above budget due to an increase in requests.

Tree maintenance is projected to overspend by £120k due to a number of works that have had to be carried out relating to unpredictable emergency callouts, root pruning health and safety works and post 2013/14 storm remedial works.

Other net minor variations within running expenses total Dr £4k.

Summary of overall variations within Highways SS&GS		£'000
Employee costs	Cr	17
Agency/ Consultancy costs		25
Snow Friends	Cr	14
Tree maintenance		120
Public Rights of Way		13
Income from Street Traders Licence and skip licence fees	Cr	3
Minor variations across Supplies and Services		4
Total variation for Highways SS&GS		<u>128</u>

3. Markets Cr £43k

As a result of higher activity than budgeted, there is a projected over-achievement of income of £30k. Additionally, there is a projected net underspend of £13k across staffing and running expenses resulting in an overall underspend of £43k for the service.

4. Tree maintenance within parks Dr £22k

Post 2013/14 storm remedial works have had to be carried out on trees within parks and allotments, leading to an overspend of ££22k

5. Street Regulation Cr £2k

Underspend mainly relates to the part year effect of vacant posts as a result of the staffing review within this division.

6. Waste Services Cr £158k

Green garden waste disposal tonnages are projected to be 1,280 tonnes below budget mainly due to the weather, resulting in an underspend of £ to £57k. For information, the total projected tonnage of 14,540 tonnes is only 300 tonnes below the 2014/15 outturn.

Across the garden waste collection service, there is a projected underspend of £214k. This is a combination of a projected underspend of £40k within staffing and running expenses, the continuing sale of green garden waste stickers Cr £17k, and projected additional income for the garden waste subscription service of Cr £157k.

Disposal tonnages from increased trade waste delivered activity are projected to be 1,400 tonnes above budget resulting in an overspend of £200k. For information, there has been an additional 1050 tonnes at the Weighbridges for the first nine 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 £230k. This more than offsets the disposal overspend from Weighbridge tonnage.

For other residual tonnages, there is a projected overspend of £58k. This is mainly due to the expected additional tonnage relating to the extra day for the leap year. This is more than offset by a reduction in detritus tonnage resulting in an underspend of £80k.

Other overspends include Dr £50k 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 £66k. 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 £8k income from trade waste collected income, textile collections and kitchen waste liners.

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 £267k in 2015/16, which is £17k above the target saving.

An underspend on the Coney Hill contract costs Cr £39k has partly offset additional disposal costs of Dr £47k associated with the disposal of incinerator ash tonnage.

Other minor variances total Dr £19k

The existing software had to be developed to include the waste and grounds maintenance contracts in order to improve the contract monitoring that will be carried out by the new contract support team within Street Scene and Green space. The development of the software will have the versatility to support the commissioning process providing an IT foundation for contract management beyond 2019 when the service contracts are due to be tendered, Dr £47k.

Summary of overall variations within Waste Services	Dec	£'000
Waste disposal tonnages - Green Garden Waste	Cr	57
Underspend from Green Garden Waste service	Cr	214
Waste disposal tonnages - Trade Waste Delivered		200
Trade waste delivered income	Cr	230
Waste disposal tonnages - other residual tonnage	Cr	22
Bins & weighbridge refurbishment		50
Paper recycling income		66
Trade waste collected and textile collection income	Cr	8
Impact of implementation of revised kerbside collection arrangements	Cr	17
Other minor variations across the waste service budget		19
Coney Hill and Incinerator ash		8
Contract monitoring software		47
Total variation for Waste Services	Cr	158

7. Highways (incl London Permit Scheme) Dr 335k

Within NRSWA income, there is a projected net deficit of £390k. 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 on-going trend.

Additional highway maintenance has been carried out totalling £30k.

The winter service budgets are currently projected to be £85k underspent, essentially due to the relatively mild winter and lack of snowfall. The table below gives a breakdown of winter service budgets, final expenditure, and subsequent variances: -

Winter Service	Budget	Outturn	Variance
	£'000	£'000	£'000
Salt, gritting & snow clearance	164	120 Cr	44
Met Office Costs	26	22	-4
Vehicle / plant maintenance & repairs	111	106	-5
Standby / training / overtime and other costs	106	74	-32
Winter Service Totals	407	322 Cr	85

Summary of variations within Highways (incl London Permit Scheme)	£'000
NRSWA income	390
Highway maintenance	30
Winter maintenance	Cr 85
Total variation for Highways	335

8. Income from Bus Lane Contraventions Cr £450k

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 £450k 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.

9. Off Street Car Parking Cr 224k

Overall a surplus of £185k is projected for off street parking income. Cr £100k extra is expected from Village Way and the Civic Centre multi-storey car parks which is offset by a projected deficit of around £60k at the Hill MSCP. Additional income of £55k 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 December 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 £90k mainly in Beckenham, Chislehurst and West Wickham.

Additionally there is an underspend of £17k due to a one-off business rates rebate which is offset by additional rent of Dr £17k due to a backdated rent increase. Indigo car parking contract costs are projected to be underspent by £35k. There are various minor net variations across the service of Cr £4k.

Summary of variations within Off Street Car Parking	£'000
Business Rate rebate	Cr 17
Backdated rent increase	17
Third party payments- Indigo (formerly Vinci Park).	Cr 35
Off Street Car Parking income - multi-storey car parks	Cr 40
Off Street Car Parking income - other surface car parks	Cr 145
Minor variations	Cr 4
Total variations within Off Street Parking	Cr 224

10. On Street Parking Cr £60k

Due to the replacement of on street P&D machines with cashless parking there is a projected underspend on airways costs of £6k. There is a minor variation on Indigo contract costs of Cr £4k.

There is additional on street parking income projected of £50k. Major variations are on Chislehurst - Cr £15k, Petts Wood Cr £15k, Bromley TC Cr £13k and Penge Cr £10k, offset by variations across other areas Dr £3k.

Summary of variations within On Street Parking	£'000
P&D Airways costs	Cr 6
Indigo contract costs	Cr 4
On Street Parking income	Cr 50
Total variations within On Street Parking	Cr 60

11. Car Parking Enforcement Dr £489k

Salaries on CCTV staff are projected to be underspent by £41k, of which Cr £30k is due to a vacant post not filled and Cr £11k due to holiday/ sickness cover not being required. Indigo contract payments are likely to be underspent by £23k. Miscellaneous Supplies and Services variations are projected to be net Cr 6k.

Based on activity levels up to December 2015, there is a projected net surplus of £184k from PCNs issued by Vinci in the current year due to an increase in contraventions. There is also a projected surplus of Cr £80k for old year tickets issued by CEOs.

A net deficit of Dr £823k is projected for mobile and static cameras due to changes in legislation from April 2015.

Summary of variations within Car Parking Enforcement	£'000
CCTV Salary costs	Cr 41
Indigo contract costs	Cr 23
Supplies and Services (net)	Cr 6
PCNs issued by CEOs	Cr 264
PCNs issued by mobile & static cameras	823
Total variations within Car Parking Enforcement	<u>489</u>

12. Parking Shared Service Cr £14k

It is projected that the net variation on Parking Shared Service for Bromley 2015/16 will be Cr £14k, mainly due to vacant posts.

13. Permit and Disabled Parking Cr £86k

Based on income and expenditure to the end of December 2015, it is projected that there will be a net £86k additional income.

Summary of variations within Permit and Disabled Parking	£'000
Permit staff costs	Cr 3
Printing and Stationery	Cr 6
Permit Income	Cr 69
Disabled Parking contract costs	Cr 10
Disabled Parking Income	2
Total variations	<u>Cr 86</u>

Summary of overall variations within Parking:	Dec
	£'000
Bus Routes Enforcement	Cr 450
Off Street Car Parking	Cr 224
On Street Car Parking	Cr 60
Car Parking Enforcement	489
Parking Shared Service	Cr 14
Permit and Disabled Parking	<u>Cr 86</u>
Total variation for Parking	<u>Cr 345</u>

14. 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.

15. Transport Support Services Cr £26k

A reduction in the mail delivery service requirements across the Council has meant that there is a projected underspend on drivers and transport running costs of Cr £26k.

16. Non-controllable Cr £19k

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

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, the following virements have been actioned:

- 1) A virement of £50k has been actioned from on street parking to highway maintenance

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	215	Cr 30	1	Cr 20	0
341	Mortuary & Coroners Service	353	353	353	0		0	0
1,607	Public Protection	1,511	1,522	1,517	Cr 5	2	0	0
2,259	TOTAL CONTROLLABLE	2,120	2,120	2,085	Cr 35		Cr 20	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	2,242	Cr 35		Cr 20	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 £30k

There is a projected underspend on salaries of £22k due to a combination of maternity leave and staff leaving earlier than budgeted as part of the savings options.

In addition there is a projected underspend on running expenses of Cr £8k.

2. Public Protection Cr £5k

An underspend of £19k is projected for employee costs, due to vacancies and some staff leaving earlier than budgeted as part of the savings options.

Premises costs are projected to be underspent by £10k due to a reduction in Laser electricity bills. There is a net Dr £7k on Transport costs mainly due to the purchase of ex-hire CCTV vehicles.

The number of dogs being kept in kennels and associated medical costs have been lower than previous years, partly helped by the mild winter to date. As a result of this and also due to changes to the kennelling charges there is a projected underspend of Cr £50k for 2015/16.

One-off costs of £60k have been incurred for concreting works undertaken at Wagtail Way to deter fly tipping.

There is a projected Dr £7k net deficit of income within Housing Enforcement.

Summary of variations within Public Protection:

	£'000
Variations within employee costs	Cr 19
Electricity costs	Cr 10
Net variations on Transport Related Costs	7
Stray dogs kennelling contract	Cr 50
Concreting works at Wagtail Way	60
Net deficit on income	7
Total variation for Public Protection	Cr 5

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

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

Renewal and Recreation Budget Monitoring Summary

2014/15 Actuals £'000	Division Service Areas	2015/16 Original Budget £'000	2015/16 Latest Approved £'000	2015/16 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
	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 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	8	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 Memorial 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 45

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
	Cr 143

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.

8. Non-controllable Cr £1k

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

Waiver of Financial Regulations:

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

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	6,399	6,397	Cr 2	1	Cr 1	
495	Financial Accounting	495	664	660	Cr 4	2	0	
1,179	Management Accounting	1,109	1,113	997	Cr 116	3	Cr 55	
8,372	Total Financial Services Division	8,195	8,378	8,256	Cr 122		Cr 56	0
	CORPORATE SERVICES DIVISION							
4,386	Information Systems & Telephony	4,394	4,530	4,504	Cr 26	4	Cr 10	
	Operational Property Services							
419	Operational Property	375	450	450	0	5	82	175
1,809	Repairs & Maintenance (All LBB)	1,920	2,279	2,084	Cr 195	6	0	
945	Customer Services (inc. Bromley Knowledge)	923	937	1,008	71	7	71	36
	Legal Services & Democracy							
685	Electoral	312	312	356	44	8	Cr 2	
1,450	Democratic Services	1,383	1,383	1,383	0		Cr 16	
Cr 106	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 88	6	9	Cr 10	
1,447	Legal Services	1,548	1,578	1,610	32	10	0	
1,613	Admin. Buildings	1,613	1,616	1,604	Cr 12	11	Cr 6	
481	Facilities & Support	467	467	451	Cr 16	12	Cr 29	
166	Management and Other (Corporate Services)	148	148	168	20	13	20	
13,295	Total Corporate Services Division	12,989	13,606	13,530	Cr 76		100	211
	HR DIVISION							
1,481	Human Resources	1,543	1,545	1,481	Cr 64	14	0	
1,481	Total HR Division	1,543	1,545	1,481	Cr 64		0	0
	CHIEF EXECUTIVE'S DIVISION							
770	Audit	733	733	729	Cr 4	15	Cr 30	
379	Financial Systems	421	421	421	0		0	
427	Procurement	446	446	445	Cr 1	16	0	
1,726	Exchequer - Payments & Income	1,516	1,547	1,506	Cr 41	17	Cr 14	
201	Comms	213	213	192	Cr 21	18	Cr 31	
601	Management and Other (C. Exec)	786	786	748	Cr 38	19	Cr 25	
141	Mayoral	144	144	135	Cr 9	20	Cr 17	
4,245	Total Chief Executive's Division	4,259	4,290	4,176	Cr 114		Cr 117	0
	TRANSFORMATION & REGENERATION DIVISION							
	Strategic Property Services							
214	Investment & Non-Operational Property	390	390	252	Cr 138	21	Cr 157	Cr 185
550	Strategic Property Services	606	635	595	Cr 40	22	0	
Cr 5,630	Investment Income	Cr 7,393	Cr 7,396	Cr 7,527	Cr 131	23	Cr 86	Cr 758
Cr 833	Other Rental Income - Other Portfolios	Cr 824	Cr 824	Cr 777	47	24	0	
Cr 5,699	Total Transformation & Regeneration Division	Cr 7,221	Cr 7,195	Cr 7,457	Cr 262		Cr 243	Cr 943
21,694	Total Controllable Departmental Budgets	19,765	20,624	19,986	Cr 638		Cr 316	Cr 732
	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	39,162	38,524	Cr 638		Cr 316	Cr 732

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 19,435	Cr 19,435	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	776	Cr 48		0	
18,098	TOTAL CHIEF EXECUTIVE'S DEPARTMENT	21,114	22,301	21,615	Cr 686		Cr 316	Cr 732
18,098	TOTAL RESOURCES PORTFOLIO	21,114	22,301	21,615	Cr 686		Cr 316	Cr 732
	Memorandum Item					25		
	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
- Less R & M Cfwd 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
Post transferred from ECHS		14
Increase in Pension Contract		59
- Recharged to Pension Fund	Cr	59
Latest Approved Budget for 2015/16		22,301

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1 Exchequer - Revenue & Benefits - £2k Cr

A net underspend of £2k is projected relating to staffing vacancies and additional grant income offset by some increased contract costs.

2 Financial Accounting - £4k Cr

A projected net underspend of £4k relates mainly to staffing vacancies as a result of early achievement of 2016/17 savings.

3 Management Accounting - £116k Cr

An underspend of £116k Cr is projected for Management Accounting. This mainly relates to vacant posts as a result of early achievement of 2016/17 savings, plus additional income relating to management of the schools long term sickness scheme in 2014/15.

CORPORATE SERVICES DIVISION

4 Information Systems & Telephony - £26k Cr

An underspend of £26k Cr is projected for Information Systems. This mainly relates to employee costs as a result of staff vacancies.

5 Operational Property Services - £0k Dr

Following the virement of £75k from Repairs and Maintenance agreed by Executive on 22nd February, no variation is projected for Operational Property this year.

6 Repairs & Maintenance (All LBB) - £195k Cr

The current forecast for R & M is a £195k underspend relating to Anerley Business Centre which will be requested for carry forward to 2016/17. 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.

7 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.

8 Electoral - £44k Dr

An overspend of £44k Dr is projected for Elections overall, mainly due to the introduction of Individual Electoral Registration and the requirement to send out an increased number of letters, forms and reminders.

9 Registration of Births, Deaths & Marriages - £6k Dr

An overspend of £6k is projected for Registrars which mainly relates to minor variations in supplies and services.

10 Legal Services - £32k Dr

An overspend of £32k is a result of maternity leave cover as well as the higher cost of temporary staff covering vacancies.

11 Admin. Buildings - £12k Cr

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

12 Facilities & Support - £16k Cr

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

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

An overspend of £20k is projected relating to a saving included the 15-16 budget that has still to be identified.

HUMAN RESOURCES DIVISION

14 HR - £64k Cr

A net credit of £64k is projected for Human Resources, mainly as a result of staffing underspends and additional income from schools.

CHIEF EXECUTIVE'S DIVISION

15 Audit - £4k Cr

An net underspend of £4k Cr is projected for Audit as a result of a vacant post and additional income from admin. penalty charges, partly offset by increased external audit fees.

16 Procurement - £1k Cr

Various minor variations net out to a £1k underspend projected for Procurement.

17 Exchequer Services - Payments & Income - £41k Cr

An underspend of £41k Cr is projected for Payments & Income. £28k Cr relates to staffing, and £13k Cr relates to the contracts budget and other minor running expenses.

18 Comms - £21k Cr

An underspend of £21k Cr is projected for Comms, mainly relating to a vacant post.

19 Management & Other (Chief. Exec.) - £38k Cr

An underspend of £38k 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 and reduction in subscription to London Councils.

20 Mayoral - £9k Cr

An underspend of £9k Cr is projected for Mayoral Services. This variation mainly relates to staffing.

TRANSFORMATION & REGENERATION DIVISION

21 Investment and Non-Operational Property (expenditure) - £138k Cr

The forecast for expenditure on Investment and Non Operational Property is an underspend of £138k Cr. This includes the following items:

	£k	Note
Sundry Properties		
- Rents	-6	
- Business Rates	<u>-14</u>	-20
Anerley Business Centre		
- Electricity	-9	
- Business Rates	-10	
- Other Hired & Contracted Services	14	
- Funding to Trust re upgrading IT	30	
- Other net variations	<u>5</u>	30
Surplus Properties		
- Business Rates	26	
- Utilities	6	
- Other minor variations	<u>9</u>	41

Investment Properties - Business Rates		-10	
Exchequer House (Bromley Old Town Hall)			
- Business Rates	-102		
- Other Hired Services	-29		
- Security Costs	-22		
- Premises	<u>-26</u>	-179	(a)
Total		<u>-138</u>	

a) Exchequer House (Bromley Old Town Hall) is vacant and listed. The sale of this building is expected to be completed this financial year.

22 Strategic Property Services - £40k Cr

A variation of £40k is projected relating to vacant posts that won't be filled until 2016/17,

23 Investment Income - £131k Cr

A net surplus of £110k Cr is projected for Investment Income which takes into consideration the following issues :

a) There is a shortfall of income on Investment Fund Properties of £38k Dr.

Over the past few years contribution 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 for the purchase of these properties is £62.7m on which £28.5m 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 £3.6m.

Recently an additional two properties have been purchased (Newbury House and Unit G - Brentwood), which has an overall cost of £9.4m. The projected income in 2015-16 is now £38k Dr and a full year effect of £756k Cr. It does not seem likely that any further acquisition will happen before the end of the financial year. 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 (INTU) rent share is a shortfall of £85k compared to budget. Accounts are supplied by INTU quarterly in arrears and this projection is based on information provide on the 19th October. 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.

c) Other variations in rental income net out to £254k 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.

24 Other Rental Income - Other Portfolios - £47k Dr

There is a shortfall of rental income of £88k relating to Banbury House which is currently vacant pending its sale. Other variations net out to £41k Cr.

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.

25 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 IT managed hosting services for 2 years 3 months with a total contract value of £99k.

An extension to a MTC contract for air conditioning maintenance for one year with an estimated value of £57k.

An extension to a MTC contract for intruder alarm and CCTV maintenance for one year with an estimated value of £73k.

An extension to a MTC contract for general building maintenance for one year with an estimated value of £52k.

An extension to a MTC contract for roofing maintenance for one year with an estimated value of £64k.

Virements Approved to date under Director's Delegated Powers

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

Allocation of Contingency Provision for 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			0	0	Cr 60,000
Renewal and Recreation						
Planning Appeals - change in legislation	60,000			0	0	Cr 60,000
Care Services						
Public Health						
Transfer of 0 - 5 years old Services (health visitors etc)	1,901,000	1,901,000		0	1,901,000	(6) 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			524,000	524,000	124,000
General						
Provision for unallocated inflation	2,508,000	213,000		241,000	454,000	(2) Cr 2,054,000
Provision for risk/uncertainty	2,193,000			193,000	193,000	Cr 2,000,000
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	(6) 0
Changes in Parking Enforcement	1,000,000	306,000		0	306,000	(6) Cr 694,000
Retained Welfare Fund	450,000			450,000	450,000	0
Freedom Passes	326,000	438,300		0	438,300	(2)&(6) 112,300
Deprivation of Liberty	314,000			0	0	Cr 314,000
Growth for Waste Services	300,000			0	0	Cr 300,000
Grants to Voluntary Organisations	275,000			0	0	Cr 275,000
Disabled Facilities Grant RCCO	232,000			0	0	Cr 232,000
Care Act - Revised Assessment Costs	2,876,000			0	0	Cr 2,876,000
Care Act - Funding from Better Care Fund	Cr 750,000	Cr 750,000		0	Cr 750,000	0
Care Act - Government Funding	Cr 1,848,000	Cr 1,848,000		0	Cr 1,848,000	0
Other Provisions	341,000			341,000	341,000	0
Civic Centre Development Strategy				57,500	57,500	(4) 57,500
Pension Investment Proposal				200,000	200,000	(6) 200,000
Residential Property Acquisition				50,000	50,000	(6) 50,000
Biggin Hill Memorial Museum		106,000		0	106,000	(6) 106,000
Adult Education Supplementary Estimate		382,000		0	382,000	(6) 382,000
	13,787,000	Cr 503,700	0	2,507,500	2,003,800	Cr 11,783,200
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	(5) 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	195,000		0	195,000	(7) Cr 149,000
Grant related income	Cr 344,000	Cr 195,000		0	Cr 195,000	149,000
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	(5) 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

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	
	£	£	£	£	£	£
Independent Living Fund						
Grant related expenditure		526,049		0	526,049	(6) 526,049
Grant related income		Cr 526,049		0	Cr 526,049	Cr 526,049
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	(6) 111,806
Grant related income		Cr 111,806		0	Cr 111,806	Cr 111,806
Temporary Accomodation Pressures Funding						
Grant related expenditure				200,000	200,000	200,000
Grant related income				Cr 200,000	Cr 200,000	Cr 200,000
Total Grants	216,000	213,000	0	0	213,000	Cr 3,000
TOTAL CARRIED FORWARD	14,003,000	Cr 290,700	0	2,507,500	2,216,800	Cr 11,786,200

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 17th September 2015
- (5) Approved by Executive 14th October 2015
- (6) Approved by Executive 2nd December 2015
- (7) Approved by Executive 13th January 2016

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	Cr 290,700	0	2,507,500	2,216,800	Cr 11,786,200
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	886,660		373,491	1,260,151	(2)&(9) 0
- income	Cr 1,260,151	Cr 886,660		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	495,700	0	2,707,500	3,203,200	Cr 11,986,200

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
- (9) Approved by Executive 2nd December 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 14 conversions estimated to occur during 2015/16 is £599k, 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 was approved for 2015/16, with the balance being returned to the contingency in future years for the impact of the restructure.
Blenheim & Community Vision Nurseries	0	Cr 81	An underspend of £81k is projected for 2015/16 on the nursery trading accounts, and this is currently expected to continue into 2016/17. The service is currently being market tested which could result in a future reduction in net income.
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	6,313	0	Pressures in Temporary Accommodation (TA) (Bed and Breakfast) in 2015/16 are forecast to be spent to budget following the draw-down of £649k from central contingency agreed by Executive in December 2016. The full year effect of the pressures in 2015/16 is £254k overspent, and it should be noted that further growth is expected in 2016/17. However there is funding set aside in the central contingency to cover this, and it is assumed that this will be drawn down to reduce the overspend to a net zero.
Assessment and Care Management - Care Placements	19,654	Cr 466	The current full year effect on client projections is estimated as Cr £556k. 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	2,736	Cr 38	The full year effect on client projections is estimated at Dr £186k in relation to Domiciliary Care and Direct Payments budgets.

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Residential, Supported Living, Shared Lives - Learning Disabilities	25,818	Cr 858	Despite a current year projected underspend of Cr £858k, the full year effect is estimated at a smaller underspend of Cr £301k. This is because the forward assumptions are based on an increasing number of LD clients (clients placed in-year in 2015/16 will only have a part year cost in 2015/16 but a full year cost in 2016/17). In addition, the full year effect includes Cr £200k savings relating to the outsourcing of LD day care, supported living and short breaks services which has only a small part year effect in 2015/16. There are budget savings required in 2016/17 and this FYE underspend is advance achievement of this.
Residential, Supported Living, Flexible Support, Direct Payments - Mental Health	6,173	Cr 296	The full year impact of the current underspend is estimated at Cr £199k. However, as with LD above, this includes a number of assumptions so the figure may vary. Again, the FYE underspend is advance achievement of 2016/17 savings.
Supporting People	1,413	Cr 69	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 and is part achievement of budget savings required in 2016/17.
Protection of Existing Social Care Services - Better Care Fund	4,250	Cr 450	There is expected to be a full year underspend of £217k on existing social care services protected by Better Care Funding. The relates to contracts in the Information and Early Intervention and other Commissioning budgets and is early achievement of 2016/17 budget savings.
Commissioning - Contracts	432	Cr 164	The full year effect underspend of savings on Commissioning-related contracts (e.g. Healthwatch, direct payments) is £63k and, again, is early achievement of 2016/17 budget savings.
Children's Social Care	27,887	Cr 37	The current full year effect for CSC is estimated at Cr £274k. This can be analysed as Cr £152k on placements, Cr £75k for the virtual school, Dr £17k for no recourse to public funds clients, Dr £56k on leaving care clients and Cr £120k on services for children with disabilities. Cr £445k of this relates to early achievement of 2016/17 budget savings.
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 430	The current full year effect is Cr £430k. Contracts have been challenged in terms of pricing and have been reorganised or prices increases kept to a minimum

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Transport	1,852	Cr 311	The current full year effect is Cr £243k due to the tendering of the service. Demand appears to have fallen for transport services and the contract is based on a cost per trip and therefore a further reduction of £100k above the original saving of £143k has been estimated in the budget.
Public Health	Cr 372	0	The current full year effect is Cr £199k. The service has seen an in year reduction in grant funding and has had to reorganise to reflect this position.
Operational Property Services	450	0	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.
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 £62.7m of which £28.6m relates to properties in Bromley High Street. The full year income from these properties is projected at £3.8m, resulting in a full year effect of 758k. 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 43	The current year trends of projected surplus income of £30k due to higher than budgeted activity, as well as £10k of the £13k underspends across running expenses are expected to continue into 2016/17.

Description	2015/16 Latest Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Waste	18,082	Cr 158	The full year effect of Cr £270k 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	335	There is an expected income deficit within NRSWA income of £145k 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 6,402	Cr 345	£85k 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 Dec 2015 £000
					<u>Revenue</u>
680	Highway Improvement Works		11	- 295	374
45	Road Safety Schemes				45
121	Local Economy & Town Centres		3		118
53	Parking	21			74
847	Healthcare Services	293	35		1,105
11	Community Facilities (to be transferred to capital)		1		10
10	Other	-	-	-	10
<u>1,767</u>		<u>314</u>	<u>50</u>	<u>(295)</u>	<u>1,736</u>
					<u>Capital</u>
1,591	Education	995			2,586
4,856	Housing	927	5		5,778
0	Highway Improvement Works		100	295	195
<u>6,447</u>		<u>1,922</u>	<u>105</u>	<u>295</u>	<u>8,559</u>
<u>8,214</u>		<u>2,236</u>	<u>155</u>	<u>0</u>	<u>10,295</u>