

## GENERAL FUND - PROVISIONAL OUTTURN FOR 2015/16

Portfolio	2015/16 Original Budget £'000	Budget Variations allocated in year #	2015/16 Final Approved Budget £'000	2015/16 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Exec 23/03/16 £'000
Care Services	102,794	Cr 1,986	100,808	96,458	Cr 4,350	Cr 3,646
Education (incl. Schools' Budget)	5,124	964	6,088	6,110	22	320
Environment	32,095	1,046	33,141	32,092	Cr 1,049	Cr 139
Public Protection & Safety	2,120	5	2,125	2,015	Cr 110	Cr 35
Renewal and Recreation	9,214	189	9,403	9,042	Cr 361	Cr 235
Resources	37,869	1,364	39,233	37,919	Cr 1,314	Cr 638
<b>Total Controllable Budgets</b>	<b>189,216</b>	<b>1,582</b>	<b>190,798</b>	<b>183,636</b>	<b>Cr 7,162</b>	<b>Cr 4,373</b>
Capital and Insurances (see note 2)	20,980	Cr 13,385	7,595	7,595	0	0
Non General Fund Recharges	Cr 793	Cr 34	Cr 827	Cr 827	0	0
<b>Total Portfolios (see note 1)</b>	<b>209,403</b>	<b>Cr 11,837</b>	<b>197,566</b>	<b>190,404</b>	<b>Cr 7,162</b>	<b>Cr 4,373</b>
Adj for Carry Forwards from 2015/16 to 2016/17	0	0	0	1,702	1,702	0
Capital, Insurance & Pension Accounting Requirements	Cr 19,698	13,360	Cr 6,338	Cr 6,388	Cr 50	0
	<b>189,705</b>	<b>1,523</b>	<b>191,228</b>	<b>185,718</b>	<b>Cr 5,510</b>	<b>Cr 4,373</b>
<b>Central Items:</b>						
<b>Interest on General Fund Balances</b>	Cr 2,741	0	Cr 2,741	Cr 4,269	Cr 1,528	Cr 1,000
<b>Contingency Provision (see Appendix 3)</b>	14,003	Cr 13,054	949	0	Cr 949	Cr 5,487
<b>Other central items</b>						
Contribution to Investment Fund	4,400	0	4,400	4,541	141	141
Utilisation of Prior Year Collection Fund Surplus	Cr 2,964	0	Cr 2,964	Cr 2,964	0	0
Contribution to Growth Fund (Council 14.12.15)	0	6,500	6,500	6,500	0	0
Contribution to Crystal Palace Park Improvements (Exec 22.7.14)	0	240	240	240	0	0
Contribution to One-off Member Initiatives (Council 22.02.16)	0	0	0	750	750	750
Funding for Non-Recurring Expenditure 16/17 (Exec 23.03.16)	0	461	461	461	0	461
Contribution to Business Rates Risk Reserve (Council 11.04.16)	0	0	0	3,000	3,000	2,800
Contribution to Growth Fund (Council 11.04.16)	0	6,000	6,000	6,000	0	6,000
<b>Subject to Approval Executive 15th June 2016</b>						
Contribution to Growth Fund	0	0	0	7,024	7,024	0
LRB Receipts	0	0	0	Cr 44	Cr 44	0
Levies	1,427	0	1,427	1,427	0	0
<b>Total other central items</b>	<b>2,863</b>	<b>13,201</b>	<b>16,064</b>	<b>26,935</b>	<b>10,871</b>	<b>10,152</b>
Carry Forwards from 2015/16 to 2016/17	0	0	0	Cr 1,702	Cr 1,702	0
<b>Prior Year Adjustments</b>						
Housing Benefits	0	0	0	Cr 597	Cr 597	Cr 597
Adult Education grant clawback	0	0	0	122	122	122
Tax liability	0	0	0	344	344	344
Backdated Council Tax Benefit adjustments	0	0	0	Cr 250	Cr 250	Cr 225
Provision for redundancies re transferred services	0	0	0	Cr 300	Cr 300	Cr 300
Learning Disabilities	0	0	0	Cr 235	Cr 235	Cr 200
Mental Health	0	0	0	Cr 165	Cr 165	Cr 150
Net Reduction in Bad Debt Provision	0	0	0	Cr 496	Cr 496	0
<b>Total Prior Year Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Cr 1,577</b>	<b>Cr 1,577</b>	<b>Cr 1,006</b>
<b>Total All Central Items</b>	<b>14,125</b>	<b>147</b>	<b>14,272</b>	<b>19,387</b>	<b>5,115</b>	<b>2,659</b>
<b>Bromley's Requirement before balances</b>	<b>203,830</b>	<b>1,670</b>	<b>205,500</b>	<b>205,105</b>	<b>Cr 395</b>	<b>Cr 1,714</b>
Carry Forwards from 2014/15 (see note 3)	Cr 1,186	Cr 1,186	0	1,186	1,186	1,186
Carry Forward from 2014/15 Delegated Authority - R&M	Cr 484	Cr 484	0	484	484	484
<b>Adjustment to Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>185</b>
Revenue Support Grant	203,830	0	203,830	205,105	1,275	141
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 32,971	0	Cr 32,971	Cr 32,971	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 537	Cr 223	0
Local Services Support Grant	Cr 89	0	Cr 89	Cr 89	0	0
Collection Fund Surplus	Cr 2,300	Cr 593	Cr 2,893	Cr 2,927	Cr 34	0
<b>Bromley's Requirement</b>	<b>128,901</b>	<b>0</b>	<b>128,901</b>	<b>128,901</b>	<b>0</b>	<b>0</b>
GLA Precept	36,913	0	36,913	36,913	0	0
<b>Council Tax Requirement</b>	<b>165,814</b>	<b>0</b>	<b>165,814</b>	<b>165,814</b>	<b>0</b>	<b>0</b>

# Budget Variations allocated to portfolios in year consists of:

1) Carry forwards from 2014/15 (see note 3)	£'000	1,670
2) Capital, Insurance & Pension Accounting Requirements (see note 2)	Cr	13,360
3) Allocations from the central contingency provision (see Appendix 3)	Cr	147
	Cr	<b>11,837</b>

## 1) NOTES

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2015/16 Original Budget £'000	Budget Variations allocated in year #	2015/16 Final Approved Budget £'000	2015/16 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	130,780	2,163	132,943	128,611	Cr 4,332	Cr 3,244
Environmental & Community Services	54,013	Cr 12,297	41,716	40,418	Cr 1,298	Cr 469
Chief Executive's Department	24,610	Cr 1,703	22,907	21,375	Cr 1,532	Cr 660
	<b>209,403</b>	<b>Cr 11,837</b>	<b>197,566</b>	<b>190,404</b>	<b>Cr 7,162</b>	<b>Cr 4,373</b>

## 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.

## **Comments from the Education, Care and Health Services Department**

### **Care Portfolio**

Overall the current outlook in the Care Services Portfolio is positive with a £4,354k controllable budget underspend predicted for the financial year. Costs of placements in Adult Social Care are being contained and the budget is benefitting from further underspends in learning disabilities and mental health services.

Commissioning activity continues to secure value for money in placements and makes a significant contribution to ameliorating the pressures.

Housing continues to exert very considerable pressures on our budgets and although covered by contingencies following the very early recognition of these pressures, Members will note that we are not predicting any significant changes in pressures from those seeking temporary accommodation.

Children's Social Care continues to see pressures although overall these have been contained this year.

The Portfolio will continue to closely monitor its activities and look to future years where the funding will become an even greater challenge.

### **Education Portfolio**

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport has overspend by £385k. 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.

The Youth Services full year savings of £506k for 2015/16 was not achievable due to the requirement to undertake a restructure of the service and consult with staff. The consultation is now complete and the new structure is in place, with a projected full year effect of £62k overspend in 2016/17. This projected overspend is as a result of unexpected loss of income. Management are working hard to identify new income streams for 2016/17 to address the shortfall.

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 and employ additional staff. In addition there have been in year savings made to the Youth Justice Grant by the Ministry of Justice. The review of the existing service and interim measures required to address immediate operational delivery requirements will result in an overspend of £95k. Every effort will be made to reduce the overspends.

### **Comments from the Director of Transformation and Regeneration (Resources Portfolio)**

Strategic Property Services has a net underspend of £348k for 2015/16. This is due to reduced expenditure on Investment and Non-Operational Property of £187k, additional net rental income of £60k and an underspend of £101k for the Strategic Property Division due to a number of vacant posts. The additional properties bought during 2015/16 have contributed to an increased income target for next financial year.

### **Renewal and Recreation Portfolio**

Overall, the controllable budget for the Renewal and Recreation Portfolio is underspent by £361k, however after removing the carry forward items totalling £325k, this underspend reduces to £36k.

The overspend of £96k within Culture mainly relates to the additional running costs of the Priory Museum as closure was delayed until half way through the year. This together with a one-off payment required for disputed items at the Churchill Theatre is more than offset by the underspend of £101k on libraries due to strike action.

There are other net variations of Cr £31k across the rest of the Portfolio.

**Comments from the Executive Director of Environment and Community Services****Environment Portfolio:**

Overall, the controllable budget for the Environment Portfolio is underspent by £1,049k. Excluding carry forward requests totalling £306k, the underspend is £743k.

Tree maintenance has overspent by £133k due to a number of works that had to be carried out relating to unpredictable emergency callouts, root pruning and post 2013/14 storm remedial works.

The improving performance by utility companies in the area of defect notices has resulted in lower charges being raised by the Council resulting in income being £397k below budget.

These overspends totalling of £560k are more than offset by underspends of £1,303k across other areas of the portfolio budget, which is mainly the result of an over achievement of income in Parking and Waste, along with staff vacancies and winter service.

It should be noted that £200k of the parking fee income is being used to offset the impact of the change in legislation around the use of CCTV for parking enforcement and £85k is being used to offset the shortfall of income from defect notices. Other underspends are the result of several budget options being delivered early.

## Care Services Portfolio Budget Monitoring Summary

2014/15 Actuals	Division Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation	Notes	Variation Last Reported £'000	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Adult Social Care</b>								
25,785	Assessment and Care Management	23,630	23,591	22,665	Cr 926	1	Cr 463	Cr 603
3,389	Direct Services	3,200	2,674	2,516	Cr 158	2	Cr 263	0
3,532	Learning Disabilities Care Management	3,879	3,655	3,657	2	3	Cr 19	198
1,949	Learning Disabilities Day and Short Breaks Service	1,953	982	838	Cr 144	4	Cr 72	0
1,326	Learning Disabilities Housing & Support	1,250	660	745	85	4	Cr 72	0
<b>35,981</b>		<b>33,912</b>	<b>31,562</b>	<b>30,421</b>	<b>Cr 1,141</b>		<b>Cr 745</b>	<b>Cr 405</b>
<b>Operational Housing</b>								
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 2,350	Cr 228		0	0
5,683	Housing Needs	5,638	6,315	6,358	43		50	55
	Housing funds held in contingency	0	0	0	0		0	Cr 55
<b>4,088</b>		<b>3,515</b>	<b>4,192</b>	<b>4,007</b>	<b>Cr 185</b>	5	<b>50</b>	<b>0</b>
<b>Strategic and Business Support Service</b>								
1,807	Strategic & Business Support	2,143	2,132	1,926	Cr 206	6	Cr 72	0
298	Learning & Development	305	271	242	Cr 29	6	Cr 40	0
<b>2,105</b>		<b>2,448</b>	<b>2,403</b>	<b>2,168</b>	<b>Cr 235</b>		<b>Cr 112</b>	<b>0</b>
<b>Children's Social Care</b>								
16,897	Care and Resources	17,358	17,206	16,747	Cr 459	7	Cr 128	Cr 37
1,783	Safeguarding and Quality Assurance	1,482	1,495	1,853	358		Cr 201	0
3,420	Safeguarding and Care Planning	5,520	5,616	5,682	66		Cr 47	0
3,583	Early Intervention and Family Support	1,149	1,164	1,113	Cr 51		Cr 20	0
2,101	Children's Disability Service	2,379	2,453	2,343	Cr 110		Cr 177	0
<b>27,784</b>		<b>27,888</b>	<b>27,934</b>	<b>27,738</b>	<b>Cr 196</b>		<b>Cr 37</b>	<b>Cr 37</b>
<b>Commissioning</b>								
3,101	Commissioning					8		
	- Net Expenditure	4,283	4,278	3,899	Cr 379		Cr 284	0
	- Recharge to Better Care Fund	Cr 1,535	Cr 1,535	Cr 1,301	234		Cr 183	0
1,199	Information & Early Intervention					9		
	- Net Expenditure	1,265	1,265	1,187	Cr 78		Cr 50	0
	- Recharge to Better Care Fund	Cr 1,265	Cr 1,265	Cr 1,187	78		Cr 50	0
24,054	Learning Disabilities	24,694	24,293	23,740	Cr 553	10	Cr 684	0
5,765	Mental Health Services	6,514	6,176	6,092	Cr 84	11	Cr 97	0
1,779	Supporting People	1,413	1,413	1,413	0	12	Cr 0	0
	Better Care Fund					13		
	- Expenditure	18,331	19,081	18,692	Cr 389		Cr 0	0
	- Income	Cr 18,482	Cr 19,232	Cr 18,851	381		Cr 0	0
	- Variation on Protection of Social Care	0	0	Cr 312	Cr 312		Cr 233	0
	NHS Support for Social Care					13		
	- Expenditure	0	614	266	Cr 348		Cr 0	0
Cr 11,078	- Income	0	Cr 614	Cr 266	348		Cr 0	0
<b>35,217</b>		<b>35,218</b>	<b>34,474</b>	<b>33,372</b>	<b>Cr 1,102</b>		<b>Cr 1,115</b>	<b>0</b>
<b>Public Health</b>								
12,238	Public Health	12,582	14,483	13,578	Cr 905	14	Cr 919	Cr 919
Cr 12,601	Public Health - Grant Income	Cr 12,954	Cr 14,855	Cr 13,936	919		Cr 919	919
<b>Cr 363</b>		<b>Cr 372</b>	<b>Cr 372</b>	<b>Cr 358</b>	<b>14</b>		<b>0</b>	<b>0</b>
	Savings achieved early in 2015/16 for 2016/17	0	430	Cr 1,079	Cr 1,509	15	Cr 1,687	Cr 2,192
<b>104,812</b>	<b>TOTAL CONTROLLABLE ECHS DEPT</b>	<b>102,609</b>	<b>100,623</b>	<b>96,269</b>	<b>Cr 4,354</b>		<b>Cr 3,646</b>	<b>Cr 2,634</b>
1,375	<b>TOTAL NON CONTROLLABLE</b>	378	2,593	2,593	0		82	0
10,398	<b>TOTAL EXCLUDED RECHARGES</b>	9,404	8,950	8,950	0		0	0
<b>116,585</b>	<b>TOTAL ECHS DEPARTMENT</b>	<b>112,391</b>	<b>112,166</b>	<b>107,812</b>	<b>Cr 4,354</b>		<b>Cr 3,564</b>	<b>Cr 2,634</b>
<b>Environmental Services Dept - Housing</b>								
169	Housing Improvement	185	185	189	4		0	0
<b>169</b>	<b>TOTAL CONTROLLABLE FOR ENV SVCES DEPT</b>	<b>185</b>	<b>185</b>	<b>189</b>	<b>4</b>		<b>0</b>	<b>0</b>
104	<b>TOTAL NON CONTROLLABLE</b>	Cr 600	407	407	0		0	0
364	<b>TOTAL EXCLUDED RECHARGES</b>	329	327	327	0		0	0
<b>637</b>	<b>TOTAL FOR ENVIRONMENTAL SVCES DEPT</b>	<b>Cr 86</b>	<b>919</b>	<b>923</b>	<b>4</b>		<b>0</b>	<b>0</b>
<b>117,222</b>	<b>TOTAL CARE SERVICES PORTFOLIO</b>	<b>112,305</b>	<b>113,085</b>	<b>108,735</b>	<b>Cr 4,350</b>		<b>Cr 3,564</b>	<b>Cr 2,634</b>

Reconciliation of Latest Approved Budget	£'000
<b>2015/16 Original Budget</b>	<b>112,305</b>
<b>Carry forwards:</b>	
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
<b>Other:</b>	
Housing Regulations Grant	
- expenditure	3
- income	Cr 3
Social Care Innovation Grant	
- expenditure	100
- income	Cr 100
Youth on Remand (LASPO) Reduction in Grant	
- expenditure	Cr 18
- income	18
Transfer of Housing Strategy from R&R	
ASC Early Intervention Service restructure	Cr 51
Deprivation of Liberty Safeguards Grant	10
- 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	
LD Certitude pensions costs	649
Post transferred to Corporate Services	Cr 33
Care Act Government Funding	Cr 15
Care Act Better Care Funding	Cr 1,848
Deprivation of Liberty Safeguards partial return of growth	Cr 750
Merit Rewards	Cr 45
Passenger Transport Service Contract - Transfer SEN staff to ECS	Cr 36
Passenger Transport Service Contract - Adjustment with Education	Cr 53
Additional Liberata costs	Cr 32
	Cr 7
	Cr 1,927
<b>2015/16 Latest Approved Budget</b>	<b>110,378</b>
<b>Memorandum Items</b>	
Capital Charges	Cr 47
Deferred Charges (REFCUS)	Cr 841
Impairment	422
Government Grants Deferred	2,003
Insurance	17
Rent Income	78
Repairs & Maintenance	Cr 99
IAS19 (FRS17)	1,689
Excluded Recharges	Cr 515
<b>Reported Latest Approved Budget for 2015/16</b>	<b>113,085</b>

## REASONS FOR VARIATIONS

### 1. Assessment and Care Management - Cr £926k

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

		<u>Final</u>		<u>Previous</u>
		<u>Variation</u>		<u>Variation</u>
		£'000		£'000
<u>Physical Support / Sensory Support / Memory &amp; Cognition</u>				
Services for 65 +	- Placements	Cr 767	Cr	725
	- Domiciliary Care / Direct Payments	Cr 165	Cr	35
Services for 18 - 64	- Placements	333		283
	- Domiciliary Care / Direct Payments	Cr 119		11
Extra Care Housing		54		103
Staffing		Cr 208	Cr	100
Other		Cr 54		0
		<u>Cr 926</u>	<u>Cr</u>	<u>463</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 £932k

Since the last report for December residential placements for the 65+ age group have continued to reduce, with a further reduction of 3 fye clients and a reduction in spend of £42k. Final client numbers are 22 below the budgeted numbers. Domiciliary care and direct payments expenditure has also reduced during this period, reducing overall projected spend by a further £130k. The overall final underspend for this age group for the year is £933k.

#### Services for 18 - 64 year olds - Dr £214k

Since the last report for December residential placements for the 18 -64 age group have reduced by 1 , however there has been an increase in the overspend of £50k to a final reported overspend of £333k. Final client numbers are 4 above the budgeted numbers. Domiciliary care and direct payments expenditure has reduced during this period, reducing overall projected spend by a further £130k. The overall final overspend for this age group for the year is £214k.

#### Extra Care Housing - Dr £54k

The 3 external extra care housing schemes have outturned with a reduced overspend of £54k, with some of the additional costs charged to the Better Care fund. 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 incurred a weekly unbudgeted for void cost equivalent to the rental price of the unit and the core costs of care staff, which Bromley had to pay the provider for.

#### Staffing - Cr £208k

The final underspend has increased to £208k for staffing in the assessment and care management division. This has mainly been due to the level of vacancies in the Division and difficulties in recruiting staff to these posts.

#### Other - Cr £54k

There are other minor variations in the division, including Car allowances, Cr £17k and Day care costs ,Cr £29k.

#### 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 £158k**

### Extra Care Housing - £0k

The final overspend in the in-house ECH service is analysed as a £460k overspend on staffing and £36k on other running costs, offset by £161k 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 outweighed any additional income. Funding of £335k has been made available from the Better Care Fund to offset the cost pressure in the service for 2015/16.

### Reablement - £0k

The in-house Reablement service underspent by £189k for the year. The service has been carrying a high number of vacancies and recruitment to these posts has been ongoing with varying degrees of success. 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. The service is partly recharged to the Better Care Fund so no variation is shown within this service.

### Carelink - Dr £52k

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 due to the contract with them ending.

### Transport - Cr £209k

The in-house transport service was outsourced to GS Plus with effect from 1 December 2015 and the budgets for the new service were transferred to both Assessment and Care Management within the Adult Social Care Division and the Commissioning Division from that date. The final outturn for the service whilst it was in-house shows an underspend of £269k, analysed as £130k underspend on staffing and £139k underspend on transport related costs. £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 - Dr £2k**

Staffing costs in the LD care management teams overspent by £38k. This was 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 underspent by £36k as a result of a post being vacant for the year.

## **4. Learning Disabilities Day , Short Breaks and Housing and Support services - Cr £59k**

The LD In-house services moved to a private contractor wef 1 October 2015 and this should release a saving of £200k in 2016/17. For the period prior to this when it was provided in-house, a saving of £59k has been realised.

## **5. Operational Housing - Cr 185k**

There is a projected overspend of £135k relating to increased furniture storage costs, partly offset by a £27k underspend relating to rent deposits.

Executive agreed a drawdown of £649k in December 2015 for the additional costs of Temporary Accommodation. Client numbers have increased on average by 10 a month in 2015/16, lower than the budgeted increase but unit costs are beginning to rise.

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 £55k 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.

Across the Housing Operations area there is an overspend of 73k relating to staffing. The majority of this relates to the Housing Options and Assessments.

The Gypsy Site collected an extra £13k of income in 2015/16 than expected.

An additional £20k of expenditure was incurred for the adaptation to a wheel chair unit and software costs.

Housing Benefits has a variation of £228k credit for 2015/16 with the income received being higher than budgeted and expenditure slightly lower during the year.

## **6. Strategic and Business Support - Cr £235k**

The underspend of £235k can be broken down as follows:

	£'000
Strategic and Business Support Services	Cr 206
Learning & Development	Cr 29
	<u>Cr 235</u>

The underspend on Strategic and Business Support Services relates mainly to salaries budgets (vacancies and delays in recruitment) and centrally controlled running expenses for the whole ECHS Department. This includes staff advertising and DBS checks.

## **7. Children's Social Care - Cr £196k**

The final projected underspend in Children's Social Care is £196k, with the main areas of under / overspending being:

### Care and Resources - Cr £459k

#### Placements - Cr £179k

The budget for children's placements outturned with an underspend of £429k this year. Residential placements were underspent by £679k, whilst Fostering and Adoption placements overspent by £250k. £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 / Unaccompanied Asylum Seeking Children - Cr £191k

The budget for the cost of clients leaving care for 16 and 17 year olds underspent by £217k. 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 overspend for this was £150k. Other costs overspent by £39k and income from UASC grant was £163k overachieved.

#### Staying Put - Cr £48k

Costs relating to children staying on in foster care placements is shown within the placements figure above. These costs have been offset by grant income of £72k

#### Virtual School - Cr £80k

The budget for the virtual school underspent by £155k 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 £60k

Staffing budgets for the service overspent by £60k, including additional costs relating to the Emergency Duty Team.

#### Other - Cr £21k

Various miscellaneous budgets underspent by £21k during the year

### Safeguarding & Quality Assurance - Dr £358k

#### No Recourse to Public Funds - Cr £53k

The final cost to Bromley for people with no recourse to public funding has reduced from the last reported figure and is now showing an underspend. Additional budget was moved into this area for 2015/16 to deal with the full year effect of an increase in numbers in 2014/15, however during the year overall numbers have fallen from 66 to 48.



#### Bromley Children's Safeguarding Board - Dr £55k

A shortfall in funding for the board has resulted in an overspend of £55k on the budget. This was reported to member's in January.

#### Staffing - Dr £364k

The costs of the Recruitment and Retention allowances have been charged to the budget in 2015/16, resulting in an overspend. This is offset by underspends reported elsewhere in the Children's Social Care division.

#### Other - Cr £8k

Various miscellaneous budgets underspent by £8k during the year

#### Safeguarding & Care Planning - Dr £66k

##### Care Proceedings - Dr £284k

Cost's in relation to care proceedings were £284k 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.

##### Staffing - Cr £77k

Staffing budgets for the service underspent by £77k due to vacancies.

##### Other costs - Cr £141k

Payments in relation to Day Nurseries, Playgroups and Childminding underspent by £66k, whilst those for preventative payments underspent by £74k.

#### Early Intervention and Family Support - Cr £51k

There were underspends of £11k on staffing budgets and £40k in relation to the Family Contact Centre.

#### Children's Disability Service - Cr £110k

The final outturn can be analysed as: (i) Staffing underspend £50k, (ii) Short Breaks service underspend £213k, (iii) direct payments overspend £33k. The service received funding from the Social Care Innovation Grant, which offset some of the staffing costs. £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 £379k**

The net underspend of £379k comprises:

	Variation
	£'000
Staffing and related budgets (net)	Cr 100
Taxicard	Cr 30
Contracts	Cr 322
Other	Cr 32
Savings found early in 2015/16 relating to 2016/17	105
Net underspend	<u>Cr 379</u>

The underspend on Commissioning staffing and related budgets of £100k 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 underspend of £30k on Taxicard arose from TfL data indicating that Bromley's take up would be lower than budgeted in 2015/16, resulting in a reduced charge to LBB. There is no information to suggest a variation to this. Commissioning contracts budgets were underspent by £322k 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 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 was underspent it resulted in a reduced charge to the Better Care Fund. The intention of this element of the Better Care Fund was to protect existing social care services so the amount of the underspend has been diverted to fund other costs within social care (see also ref 13 below).

Of the underspend on Commissioning, £105k relates to 2016/17 budget savings achieved early. This element has been removed and is detailed separately in the narrative under paragraph 15.

## **9. Information and Early Intervention - Cr & Dr £78k**

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.

The final outturn position was an underspend of £228k 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 was 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 was fully funded from the Better Care Fund in 2015/16. As the budget underspent it resulted in a reduced charge to the Better Care Fund. The intention of this element of the Better Care Fund was to protect existing social care services so the amount of the underspend has been diverted to fund other costs within social care (see also ref 13 below).

## **10. Learning Disabilities - Cr £553k**

The underspend on placements has reduced from the previously reported position. There are many reasons for this movement but it can be largely attributed to a combination of clients becoming the financial responsibility of Bromley under ordinary residence, new clients and previously unprojected costs associated with supported living schemes.

In addition, there are variations on the revised arrangements for delivering the former in-house LD supported living, day care and respite services. This includes underspends on the housing management arrangements for former in-house LD homes.

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 £84k**

The final underspend position on Mental Health care packages is £239k. Savings arising from contract efficiencies and associated inflation (£60k in relation to Mental Health) as well as savings on placements (£180k) have been shown separately at paragraph 15 and will be used to contribute to budget savings required in 2016/17.

There was a £45k saving on other mental health budgets and this has arisen from the new arrangements for the Community Wellbeing service and an 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 £79k. 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 £79k underspend is in excess of this.

## **13. Better Care Fund - Variation on Amount Earmarked to Protect Social Care - Cr £312k**

An amount of funding from the Better Care Fund was earmarked to protect social care. This contributed to a range of services across Adult Social Care and Commissioning Divisions. The amount allocated to Commissioning budgets underspent by £529k and this contributed 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 - Dr £14k**

On the 4th June 2015 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 for Bromley was £919k, and is ongoing for future years. This has been addressed by a combination of identified savings and management action, and the final outturn for the service was within budget. The variation of £14k is offset by a corresponding underspend of £14k in the non-controllable expenditure element of the budget.

## **15. Savings achieved early in 2015/16 for 2016/17 - Cr £1,509k**

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.

<b><u>Service Areas</u></b>	<b>2015/16</b>	<b>2016/17</b>
	<b>£'000</b>	<b>FYE £'000</b>
Adult Social Care / Commissioning - Contract negotiations resulting in lower contract costs than anticipated	Cr 430	Cr 430
Closure of Lubbock House ECH	0	Cr 70
Day Opportunities - invest to save	0	Cr 100
Transport Contract effective from December 2015	Cr 60	Cr 243
LD Direct Care Services contract effective from October 2015	0	Cr 200
Contract savings across Commissioning division	Cr 105	Cr 130
Mental Health - efficiencies with placements, planned moves and CCG	Cr 180	Cr 134
Supporting People - contract efficiencies obtained	Cr 79	Cr 164
Adult Learning Disabilities services	Cr 40	Cr 40
Additional recurring underspend - Commissioning	Cr 20	Cr 36
Early intervention and information- contract efficiencies obtained	Cr 150	Cr 200
Youth on Remand	Cr 250	Cr 250
Virtual School	Cr 75	Cr 75
Children with disabilities	Cr 120	Cr 120
<b>Total</b>	<b>Cr 1,509</b>	<b>Cr 2,192</b>

### **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 contract's valued over £50k and 10 for over £100k.
- (b) There were 3 waiver's agreed for care placement's in adult services over £50k but less than £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, 2 virement's have been actioned; £32k for the transfer of funding from the ECHS Commissioning contracts budget to the ECHS Adult Social Care Division day centres budget (this is non-recurrent funding to support day opportunities transitional costs) ; and £7k to Corporate services to fund additional invoice processing costs.

2014/15 Actuals	Service Areas	2015/16 Original Budget	2015/16 Final Approved	2015/16 Provisional Outturn	Variation	Notes	Variation Last Reported	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Education Division</b>								
Cr 355	Adult Education Centres	Cr 602	Cr 219	Cr 233	Cr 14	1	4	0
202	Alternative Education and Welfare Service	264	266	231	Cr 35	2	Cr 2	0
296	Schools and Early Years Commissioning & QA	396	398	264	Cr 134	3	Cr 141	Cr 81
4,633	SEN and Inclusion	4,833	4,835	4,978	143	4	243	0
218	Strategic Place Planning	216	229	207	Cr 22		0	0
36	Workforce Development & Governor Services	4	4	Cr 15	Cr 19		0	0
Cr 2,419	Education Services Grant	Cr 2,128	Cr 1,650	Cr 1,650	0	5	0	75
Cr 1,493	Schools Budgets	Cr 1,509	Cr 1,509	Cr 1,395	114	6	0	0
139	Other Strategic Functions	133	133	94	Cr 39	7	19	0
<b>1,257</b>		<b>1,607</b>	<b>2,487</b>	<b>2,481</b>	<b>Cr 6</b>		<b>123</b>	<b>Cr 6</b>
<b>Children's Social Care</b>								
2,315	Bromley Youth Support Programme	1,473	1,554	1,757	203	8	274	62
2,303	Early Intervention Services	2,044	2,047	1,872	Cr 175	9	Cr 77	0
<b>4,618</b>		<b>3,517</b>	<b>3,601</b>	<b>3,629</b>	<b>28</b>		<b>197</b>	<b>62</b>
<b>5,875</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION - ECHS</b>	<b>5,124</b>	<b>6,088</b>	<b>6,110</b>	<b>22</b>		<b>320</b>	<b>56</b>
11,852	<b>Total Non-Controllable</b>	9,278	11,061	11,061	0		0	0
3,493	<b>Total Excluded Recharges</b>	3,987	3,628	3,628	0		0	0
<b>21,220</b>	<b>TOTAL EDUCATION PORTFOLIO - ECHS</b>	<b>18,389</b>	<b>20,777</b>	<b>20,799</b>	<b>22</b>		<b>320</b>	<b>56</b>
<b>Memorandum Item</b>								
<b>Sold Services</b>								
	Education Psychology Service (RSG Funded)	Cr 21	Cr 20	Cr 62	Cr 42	} 10	0	0
	Education Welfare Service (RSG Funded)	Cr 39	Cr 39	Cr 43	Cr 4		0	0
	Workforce Development (DSG/RSG Funded)	Cr 14	Cr 14	Cr 33	Cr 19		0	0
	Governor Services (DSG/RSG Funded)	Cr 8	Cr 8	0	8		0	0
	Community Vision Nursery (RSG Funded)	0	0	Cr 66	Cr 66		Cr 41	Cr 66
	Blenheim Nursery (RSG Funded)	0	0	Cr 23	Cr 23		Cr 40	Cr 23
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	<b>Total Sold Services</b>	<b>Cr 82</b>	<b>Cr 81</b>	<b>Cr 227</b>	<b>Cr 146</b>		<b>Cr 81</b>	<b>Cr 89</b>

## 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
Allocation of Merit Awards 2015/16 (Exec June 2016)	10
Allocation of Tax and NI on Merit awards 2015/16 (Exec June 2016)	6
Passenger Transport Service Contract	Cr 32
Year End Drawdown Request for the Education Services Grant	478

## Latest Approved Budget for 2015/16

19,320

## Memorandum Items

Capital Charges	Cr 2,901
Deferred Charges (REFCUS)	Cr 7,869
Impairment	1,712
Government Grants Deferred	9,277
Insurance	Cr 62
Rent Income	0
Repairs & Maintenance	Cr 79
IAS19 (FRS17)	1,706
Excluded Recharges	Cr 327
<b>Reported Latest Approved Budget for 2015/16</b>	<b>20,777</b>

## **REASONS FOR VARIATIONS**

### **1. Adult Education - Cr £14k**

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 at its meeting on 10th February 2016.

There is a minor net underspend of £14k for the service.

### **2. Alternative Education and Welfare Service - Cr £35k**

A minor overspend has arisen in staffing costs, but this has been more than offset by an increase in Penalty Charge Notice income collection, resulting in a net £11k underspend.

An Underspend of £24k has occurred in the Behaviour Support - Head of Service cost centre due to a post not being filled.

	Variations
	£'000
Head of Service	Cr 24
Education Welfare Officers	Cr 11
	<b>Cr 35</b>

### **3. Schools and Early Years Commissioning and Quality Assurance - Cr £134k**

The two in-house nurseries are projected to generate a total surplus of £89k. The trading accounts, set up in April 2013, are not on a full cost recovery basis, so this surplus doesn't cover the £209k 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 £4k within the School Standards team, mainly as a result of staff vacancies.

	Variations
	£'000
Blenheim Nursery	Cr 23
Community Vision Nursery	Cr 66
Early Years	Cr 41
School Standards	Cr 4
	<b>Cr 134</b>

### **4. SEN and Inclusion - Dr £143k**

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 £21k. Some of the expenditure planned against these grants is expected to occur in 2016/17, so these amounts will be requested and approved for carry forward.

Additionally there is a underspend of £43k in the Education Psychology Services Trading Account due to a higher than expected collection of income for their services. The extra income has mainly been invoiced to the Academies within Bromley.

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 a much reduced use of tribunal consultancy, has resulted in an underspend of £138k in the SEN assessment and monitoring team, and £40k 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 has overspend by £385k. 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 financial 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 overspend of £385k is a decrease of £114k compared to the third quarter projection.

	Variations	
		£'000
SEN assessment & monitoring team	Cr	138
Head of Service	Cr	40
SEND Implementation Grant	Cr	11
SEND Preparation for Employment	Cr	5
SEND Pathfinder	Cr	5
Trading Account Education Psychology Services	Cr	43
SEN transport		385
		<u>143</u>

### **5. Education Services Grant - Cr £0k**

The Education Services Grant (ESG) allocation is £478k less than budget. It is assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

### **6. Schools Budgets (Dr 114k)**

There is an overall variance on the School Budgets this year on controllable expenditure. This is offset by an underspend in non-controllable expenditure due to lower overheads being charged to DSG related budgets. The overall bottom line will be balanced and the effect on the General Fund is zero.

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 overspend of £1.5m 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.

The £1.5m costs for Beacon House relate to the refurbishment of the property following its purchase last year. The costs are expected to continue into 2016/17. A budget was approved in 2015/16 for these costs. Of the budget set aside for this project, there still £1.4m remaining.

SEN placements and support costs are overspent by a total of £523k, 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 £729k 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 underspent by £236k.

There is a total underspend of £112k 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 overspend by a total of £17k. An underspend on staffing costs has netted off a overspend on running costs with the Early Years SEN cost centres. There was a budget reduction in pre-school support in 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 £125k. 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 £1.3m 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 £121k 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 of £1.2k for Free Early Education funding, mainly due to a slowing of the increase in take-up seen in recent years.

		Variations	
		£'000	£'000
Balance Brought Forward		Cr	9,886
Budgeted use of Brought Forward Balance			4,739
<b>Other Movements</b>			
Beacon House			1,499
Bulge Classes			1,332
- Modular classroom rentals			121
Consultancy etc			94
MPAA,CLA etc licenses			70
Special Schools / Units			729
PSAG	Cr		4
Free Early Education - 2 year olds	Cr		593
Free Early Education - 3 & 4 year olds	Cr		663
SEN - Placements			523
SEN - Transport	Cr		125
SEN - Sensory support service	Cr		84
SEN - Support in FE colleges	Cr		236
SEN - Support in mainstream	Cr		27
SEN - Pre-school service			17
SEN - Home & Hospital			15
High Needs Top Up (Excluding Special Schools)	Cr		642
School Forum	Cr		24
Primary School Nursery Funding	Cr		180
Inclusions Team	Cr		4
Access & Admissions	Cr		30
Progression Courses	Cr		56
Behaviour and Attendance Partnership			9
DSG - In Year Adjustment to Allocation	Cr		277
			1,464
			<b>Cr 3,683</b>

There is an RSG underspend of £13k within the Schools Budget area. This related to the insurance income the council receives from Maintained Schools. In previous year the Insurance Income and expenditure has been allocated as a Non-controllable Overhead, and this is the first year it has been allocated to the Controllable figures in the accounts.

#### **7. Other Strategic Functions - Cr £39k**

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.

The change from the reported third quarter position is due to the release of un-needed provisions written off during the year.

#### **8. Youth Services - Dr £203k**

The Youth Service overspent 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 were completed and the revised structure has been put in place.

There was also an overspend in the Youth Offending Team; as a consequence of the outcome of the 2015 HMIP inspection, it was 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 resulted in an overspend of £95k. Additionally, there was an in-year reduction of £29k in the funding from the Youth Justice Board.

	Variations
	£'000
Youth Services	108
Youth Offending Team	95
	<b>203</b>

#### **9. Early Intervention Services - Cr £175k**

The underspend is primarily due to in year turnover savings and an underspend on Commissioning as cost efficiencies have been achieved to meet the 2015-16 savings target.

#### **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, 15 waivers have been approved.

- a) There were 10 waivers agreed for the contract value of under £50k
- b) There were 2 waivers agreed for the contract value of over £175k

### **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, 11 virements has been approved. Nine of the virement relate to changes in the grant allocation totalling £655k. Two virement related to post variations totalling £47k.



2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
77	<b>Public Protection</b> Emergency Planning	75	75	70	Cr 5	1	0	0
<b>77</b>		<b>75</b>	<b>75</b>	<b>70</b>	<b>Cr 5</b>		<b>0</b>	<b>0</b>
4,115	<b>Street Scene &amp; Green Space</b> Area Management/Street Cleansing	4,048	4,037	3,976	Cr 61	2	Cr 50	0
2,429	Highways	2,542	2,512	2,622	110	3	128	0
Cr 42	Markets	Cr 2	Cr 2	Cr 52	Cr 50	4	Cr 43	Cr 40
5,745	Parks and Green Space	5,676	5,791	5,821	30	5	22	0
467	Street Regulation	513	515	501	Cr 14	6	Cr 2	0
17,613	Waste Services	17,853	18,087	17,905	Cr 182	7	Cr 158	Cr 270
<b>30,327</b>		<b>30,630</b>	<b>30,940</b>	<b>30,773</b>	<b>Cr 167</b>		<b>Cr 103</b>	<b>Cr 310</b>
545	<b>Support Services</b> Support Services	518	520	516	Cr 4	8	0	0
<b>545</b>		<b>518</b>	<b>520</b>	<b>516</b>	<b>Cr 4</b>		<b>0</b>	<b>0</b>
252	<b>Transport &amp; Highways</b> Depots	275	275	296	21	9	0	0
6,921	Highways incl London Permit Scheme	6,794	7,219	7,447	228	10	335	145
Cr 6,496	Parking	Cr 6,696	Cr 6,451	Cr 7,455	Cr 1,004	11-16	Cr 345	Cr 85
176	Traffic & Road Safety	157	168	112	Cr 56	17	0	0
327	Transport Support Services	342	395	333	Cr 62	18	Cr 26	0
<b>1,180</b>		<b>872</b>	<b>1,606</b>	<b>733</b>	<b>Cr 873</b>		<b>Cr 36</b>	<b>60</b>
<b>32,129</b>	<b>TOTAL CONTROLLABLE</b>	<b>32,095</b>	<b>33,141</b>	<b>32,092</b>	<b>Cr 1,049</b>		<b>Cr 139</b>	<b>Cr 250</b>
6,238	<b>TOTAL NON-CONTROLLABLE</b>	5,332	8,074	8,074	0		Cr 33	0
2,221	<b>TOTAL EXCLUDED RECHARGES</b>	2,290	2,483	2,483	0		0	0
<b>40,588</b>	<b>PORTFOLIO TOTAL</b>	<b>39,717</b>	<b>43,698</b>	<b>42,649</b>	<b>Cr 1,049</b>		<b>Cr 172</b>	<b>Cr 250</b>

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
SEN Transport Client	53
Merit awards	24
<b>Latest Approved Budget for 2015/16</b>	<b>40,787</b>

Memorandum Items

Capital Charges 5802	Cr 175
Deferred Charges (REFCUS) 5804	413
Impairment 5806	2,704
Gov Grants Deferred 5807	Cr 404
Insurance	Cr 92
Rent Income	Cr 78
Repairs & Maintenance	
IAS19 (FRS17)	351
Excluded Recharges	192
<b>Reported Latest Approved Budget for 2015/16</b>	<b>43,698</b>

## **REASONS FOR VARIATIONS**

### **1. Emergency Planning Cr £5k**

Minor variations across the service total Cr £5k.

### **2. Area Management & Street Cleansing Cr £61k**

Savings brought-forward as a result of the closure of public conveniences total £43k. The FPN contract has a net variation of Cr £5k for 2015/16. Other minor variations across the service total Cr £18k

<b>Summary of overall variations within Area Management &amp; Street Cleansing</b>	<b>£'000</b>	
Savings as a result of closure of Public Conveniences	Cr	43
Other minor net variations	Cr	18
<b>Total variation for Area Management &amp; Street Cleansing</b>	Cr	<b>61</b>

### **3. Highways SSGS Dr £110k**

There is an underspend on salaries of £37k due to vacancies partly offset by the additional monitoring carried out by the contractor of Dr £29k.

Due to the mild winter the stock on supplies of salt etc. have not needed to be replenished resulting in an underspend of £22k on the Snow Friends budget.

The additional spend on potholes Dr £128k is as a result of the wet winter which like the cold weather causes defects and erosion on the carriageways. This has been covered by management action to achieve savings on other areas such as minor Improvements Cr £108k.

The additional spend on Safety Out of Hours Dr £32k is due to clearer reporting and is met from underspends on road markings and guard rails (Cr £31k).

There is an increase in income from Street traders licensing of £11k due to an increase in the number of license applications being received. Similarly income from Skip licenses is higher by Cr £3k due to an increase in requests. Other miscellaneous income Cr £2k.

Tree maintenance is overspent by £133k 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. This out turn is higher than last projected due to the increased number of remedial works recommended from condition surveys in the period December to March 16.

Other minor net variances across the service total Dr £2k.

<b>Summary of overall variations within Highways SS&amp;GS</b>	<b>£'000</b>	
Employee costs	Cr	37
Agency/ Consultancy costs		29
Snow Friends	Cr	22
Potholes		128
Minor Improvements etc	Cr	108
Road Markings and guard rails	Cr	31
Safety Out of Hours		32
Tree maintenance		133
Income from Street Traders Licence and skip licence fees etc	Cr	16
Minor variations net		2
<b>Total variation for Highways SS&amp;GS</b>		<b>110</b>

### **4. Markets - Cr £50k Variation**

As a result of higher activity than budgeted, income was overachieved by £35K. In addition there was a net underspend of £15k across staffing and running expenses.

### **5. Park and Green Space Dr £30k**

Post 2013/14 storm remedial works have been carried out on trees within parks and allotments, leading to an overspend of £30k within tree maintenance.

### **6. Street Regulation Cr £14k**

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

## **7. Waste Services Cr £182k**

Green garden waste disposal tonnages were 1,186 tonnes below budget mainly due to the weather during the year, resulting in an underspend of £53k. For information, the total tonnage of 14,634 tonnes for 2015/16 is 189 tonnes below the 2014/15 outturn.

Across the garden waste collection service, there was an underspend of £245k. This is a combination of a underspend of £58k within staffing and running expenses, the continuing sale of green garden waste stickers Cr £19k, and additional income for the garden waste subscription service of Cr £168k.

Disposal tonnages from increased trade waste delivered activity were 1,450 tonnes above budget resulting in an overspend of £207k.

As a direct consequence of the extra tonnage described above, additional income of £207k was received for trade waste delivered. This offsets the disposal overspend from Weighbridge tonnage.

For other residual tonnages, there is an overspend of £42k. 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 £99k.

Other overspends include Dr £87k relating to the purchase of bins / containers, largely for trade waste customers and depot refurbishment works.

Within paper recycling income, there is a deficit of £28k. 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. Actual paper tonnage is 290 tonnes below budget and 936 tonnes below 2014/15 actual tonnage.

Within other income streams, there is a net surplus of Cr £43k 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 saving was £275k in 2015/16, which is £25k above the target saving.

An underspend on the Coney Hill contract costs Cr £36k has partly offset additional disposal costs of Dr £52k associated with the disposal of incinerator ash tonnage.

As a result of the introduction of the Safer Lorry Scheme, vehicles of more than 3.5 tonnes have to be fitted with sideguards to protect cyclists from being dragged under the wheels in the event of a collision, as well as special mirrors to provide a better view of cyclists and pedestrians. The costs of adapting the waste fleet was £34,500.

Tonnages for recycling and food waste have fallen over the last year while residual waste tonnages are increasing. To understand the reasons for this and to fully inform future potential tenderers for the new Waste contract, a waste audit survey was undertaken at a cost of £15k. This information will help to inform future waste strategies and operational changes.

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 £48k.

Other minor variances total Dr £12k

<b>Summary of overall variations within Waste Services</b>		<b>£'000</b>
Waste disposal tonnages - Green Garden Waste	Cr	53
Underspend from Green Garden Waste service	Cr	245
Waste disposal tonnages - Trade Waste Delivered		207
Trade waste delivered income	Cr	207
Waste disposal tonnages - other residual tonnage	Cr	57
Bins & weighbridge refurbishment		87
Paper recycling income		28
Trade waste collected and textile collection income	Cr	43
Impact of implementation of revised kerbside collection arrangements	Cr	25
Coney Hill and Incinerator ash		16
Side guard costs & kerbside residual waste survey		50
Contract monitoring software		48
Other minor variations across the waste service budget		12
<b>Total variation for Waste Services</b>	<b>Cr</b>	<b>182</b>

## **8. Support Services Cr 4k**

Minor variations across the service total Cr £4k.

## **9. Depots - Dr £21k**

This overspend is due to additional costs incurred for business rates and electricity at the depot.

## **10. Highways (incl London Permit Scheme) Dr 228k**

Within NRSWA income, there is a projected net deficit of £397k. 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.

Part year vacancies has resulted in an underspend of £38k against staffing.

The winter service budgets are £131k 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: -

<b>Winter Service</b>	<b>Budget £'000</b>	<b>Outturn £'000</b>	<b>Variance £'000</b>
Salt, gritting & snow clearance	164	85 Cr	79
Met Office Costs	26	22 Cr	4
Vehicle / plant maintenance & repairs	111	95 Cr	16
Standby / training / overtime and other costs	106	74 Cr	32
<b>Winter Service Totals</b>	<b>407</b>	<b>275 Cr</b>	<b>131</b>

<b>Summary of variations within Highways (incl London Permit Scheme)</b>	<b>£'000</b>
NRSWA income	397
Staffing	Cr 38
Winter maintenance	Cr 131
<b>Total variation for Highways</b>	<b>228</b>

## **11. Bus Lane Contraventions Cr 657k**

As a result of reinstating bus lane enforcement following completion of public realm works in Bromley North from March 2015, there is additional income of around £469k for 2015/16 and Cr £8k from previous years pcns. The Equipment budget is underspent by £180k due to the delay on the purchase and installation of the automated camera scheme because of order time and technical issues. This underspend is the subject of a carry forward request.

<b>Summary of variations within Bus Lane Contraventions</b>	<b>£'000</b>
PCNs Issued for Bus Lanes	Cr 477
Purchase of equipment	Cr 180
<b>Total variations within Bus Lanes</b>	<b>Cr 657</b>

## **12. Off Street Car Parking Cr 218k**

Overall there is a surplus of £183k for off street parking income. Cr £149k extra is from Village Way and the Civic Centre multi-storey car parks which is offset by a deficit of around £100k at the Hill MSCP. There is also extra income of £61k 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 for the rest of the year. 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 net surplus of around £73k mainly in Beckenham and West Wickham.

Additionally there is an underspend of £10k due to a one-off business rates rebate which is offset by additional rent of Dr £23k due to a backdated rent increase. Indigo car parking contract costs are underspent by £50k. Other minor net variations across the service total Dr 2k.

<b>Summary of variations within Off Street Car Parking</b>	<b>£'000</b>
Business Rate rebate	Cr 10
Backdated rent increase	23
Third party payments- Indigo (formerly Vinci Park).	Cr 50
Off Street Car Parking income - multi-storey car parks	Cr 49
Off Street Car Parking income - other surface car parks	Cr 134
Minor variations	2
<b>Total variations within Off Street Parking</b>	<b>Cr 218</b>

## **13. On Street Parking Cr £100k**

Due to the replacement of on street P&D machines with cashless parking there is a projected underspend on airway costs of £6k and other minor variations total Cr £11k.

There is additional on street parking fee income of £56k from various locations across the borough as well as Cr £27k income from bay suspensions.

<b>Summary of variations within On Street Parking</b>		<b>£'000</b>
P&D Airway costs	Cr	6
On Street Parking income	Cr	83
Other minor variations	Cr	11
<b>Total variations within On Street Parking</b>	<b>Cr</b>	<b>100</b>

#### **14. Car Parking Enforcement Dr £75k**

Salaries on CCTV staff are underspent by £43k, of which Cr £32k is due to a vacant post not filled and Cr £11k due to holiday/sickness cover not being required. Indigo contract payments are underspent by £49k.

Equipment costs are underspent by £167k mostly due to the automated camera scheme being delayed due to the longer order time and technical issues such as the connection of the encoders (Cr £126k). Other equipment is underspent as the planned purchase of equipment did not go ahead due to the proximity to award of the new parking contract (Cr £41k). The automated camera underspend is the subject of a carry forward request.

Other variations include an underspend of the computer equipment maintenance budget Cr £19k. The upgrade was not required as the new system for automated cameras was about to be introduced.

There is a net surplus of £286k from PCNs issued by Indigo Park (formerly known as Vinci Park) in the current year due to an increase in contraventions. Additional income of Cr £125k has been received over the year for contraventions that occurred prior to 1st April 2015. For information, the number of contraventions during the 9 months to December 2015 resulted in an average of 5,700 per month and this figure was used to project contraventions for the final 3 months of the year. The actual number of contraventions that occurred during the final quarter was 18,480. The average number of contraventions per month during this period was 6,160 compared to the 5,700 during the previous 9 months.

A net deficit of Dr £826k is for mobile and static cameras due to changes in legislation from April 2015. This is partly offset by additional income from old year tickets Cr £17k.

The revenue contribution to capital in 2014/15 for the CCTV control room was no longer required and was returned to the revenue account. This was because the technical enhancements were no longer required due to the change in legislation relating to the use of CCTV cameras.

Other minor variations across the service total Cr £15k.

<b>Summary of variations within Car Parking Enforcement</b>		<b>£'000</b>
CCTV Salary costs	Cr	43
Indigo contract costs	Cr	49
Equipment Costs - automated cameras.	Cr	126
Other equipment	Cr	41
Purchase of computer equipment	Cr	19
PCNs issued by CEOs	Cr	411
PCNs issued by mobile & static cameras		809
Return of Direct Revenue Financing from 2014/15 not required	Cr	30
Minor variations	Cr	15
<b>Total variations within Car Parking Enforcement</b>		<b>75</b>

#### **15. Parking Shared Service Cr £43k**

It is projected that the net variation on Parking Shared Service for Bromley 2015/16 will be Cr £43k, mainly due to vacant posts.

#### **16. Permit and Disabled Parking Cr £61k**

The increase in permit income of Cr £59k is mainly due to the withdrawal of the free visitor vouchers for the over 60's. Other minor variations total Dr £4k.

Minor net variations within the disabled parking service total Cr £6k.

<b>Summary of variations within Permit and Disabled Parking</b>		<b>£'000</b>
Permit Income	Cr	59
Permit parking minor net variations		4
Disabled Parking variations	Cr	6
<b>Total variations</b>	<b>Cr</b>	<b>61</b>

**Summary of overall variations within Parking:**

Bus Routes enforcement	Cr	477
Off Street Car Parking	Cr	218
On Street Car Parking	Cr	100
Parking Enforcement		201
Equipment costs for automatic cameras (bus lanes & parking around schools) (C/F Request)	Cr	306
Parking Shared Service	Cr	43
Permit & Disabled Parking	Cr	61
<b>Total Variation for Parking</b>	<b>Cr</b>	<b>1,004</b>

**17. Traffic & Road Safety Cr£56k**

There was an underspend of Cr £27k for staffing within TP Strategy mainly due to the TP Managers post remaining vacant for a number of months. Additional spend of Dr £19k was incurred on minor traffic management schemes which was more than offset by an overachievement of income from road closure charges (Cr £42k). Within Road Safety there was a Cr £18k underspend as a result of the 'refunded days' within the school crossing patrol contract. There was a net underachievement of income of Dr £12k from the Disabled Person's Parking Bays scheme as further consultation had to be undertaken to consider whether the scheme could be fully implemented or not.

**Summary of variations within Traffic & Road Safety**

		<b>£'000</b>
Staffing	Cr	27
Minor traffic schemes		19
Road closure income	Cr	42
School crossing patrol contract	Cr	18
Disabled Person parking Bay scheme		12
<b>Total variations for Traffic &amp; Road Safety</b>	<b>Cr</b>	<b>56</b>

**18. Transport Support Services Cr £62k**

A reduction in the mail delivery service requirements across the Council has meant that there was an underspend on drivers and transport running costs of Cr £42k. The SEN Transport Client transferred to Environment from Care Services in the later part of 2015. This service was carrying staff vacancies which resulted in a £25k underspend. Other minor variations across the service total Dr £5k

**Summary of variations within Transport Support Services**

		<b>£'000</b>
Driver & transport costs for mail delivery service	Cr	42
Vacancies within SEN transport client	Cr	25
Other minor variations		5
<b>Total variations for Transport Support Services</b>	<b>Cr</b>	<b>62</b>

**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.

## Public Protection &amp; Safety Budget Monitoring Summary

2014/15 Actuals £'000	Service Areas	2015/16 Original Budget £'000	2015/16 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
311	Public Protection Community Safety	256	246	219	Cr 27	1	Cr 30	0
341	Mortuary & Coroners Service	353	353	332	Cr 21	2	0	0
1,607	Public Protection	1,511	1,526	1,464	Cr 62	3	Cr 5	0
<b>2,259</b>	<b>TOTAL CONTROLLABLE</b>	<b>2,120</b>	<b>2,125</b>	<b>2,015</b>	<b>Cr 110</b>		<b>Cr 35</b>	<b>0</b>
92	<b>TOTAL NON CONTROLLABLE</b>	6	426	426	0		0	0
9	<b>TOTAL EXCLUDED RECHARGES</b>	151	Cr 24	Cr 24	0		0	0
<b>2,360</b>	<b>PORTFOLIO TOTAL</b>	<b>2,277</b>	<b>2,527</b>	<b>2,417</b>	<b>Cr 110</b>		<b>Cr 35</b>	<b>0</b>

## 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

Merit Awards

5

## Latest Approved Budget for 2015/16

2,282

## Memorandum Items

Capital Charges 5802

Deferred Charges (REFCUS) 5804

241

Impairment 5806

Gov Grants Deferred 5807

Insurance

Rent Income

Repairs &amp; Maintenance

IAS19 (FRS17)

179

Excluded Recharges

Cr 175

## Reported Latest Approved Budget for 2015/16

2,527

## **REASONS FOR VARIATIONS**

### **1. Community Safety Cr £27k**

There is an underspend on salaries of £21k due to a combination of maternity leave and staff leaving earlier than budgeted as part of the savings options.

Bromley received a DCLG grant in 2014/15 and 2015/16 for £86,570 relating to the prevention of domestic abuse. The grant was awarded on the understanding that the project would be delivered by Bromley Women's Aid (BWA) during 2015/16 and 2016/17. On 9 September, Executive agreed to carry forward any residual balance of the grant into 2016/17 to enable BWA to deliver the project. A sum of £60,610 has been transferred to the grant contingency and a carry forward request will be submitted to the Executive.

Other net minor variations total Cr £6k.

<b>Summary of variations within Community Safety:</b>	<b>£'000</b>
Variations within employee costs	Cr 21
Net minor variations	Cr 6
DCLG Grant 2015/16 ( £60,610)	Cr 61
DCLG Grant 2015/16 to reserves Request for carry forward to 2016/17 £60,610)	61
<b>Total variation for Community Safety</b>	<b>Cr 27</b>

### **2. Mortuary and Coroners Service Cr £21k**

There is an underspend on Mortuary costs of £14k as the existing fixed rate contract was still in force until late in 2015/16. The new contract for the Mortuary at the Princess Royal University Hospital was finalised but the charging system remained the same because of issues with Kings NHS IT systems. There is also a minor underspend of £7k on the Coroners Service.

### **3. Public Protection Cr £62k**

£19k is the result of underspends on Employee costs, due to vacancies and some staff leaving earlier than budgeted as part of the savings options.

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

Concreting works undertaken at Wagtail Way to deter fly tipping were carried out, but costs were significantly lower than estimated. A number of other initiatives for fly tipping also came in lower than estimated or had to be deferred. This has meant that the planned spend was £60k less than previously projected.

Other minor variations across the division total Dr £7k.

<b>Summary of variations within Public Protection:</b>	<b>£'000</b>
Variations within employee costs	Cr 19
Stray dogs kennelling contract	Cr 50
Other minor variations	7
<b>Total variation for Public Protection</b>	<b>Cr 62</b>

### **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:

a) Cumulative value of £80k for the procurement of acoustic Equipment, annual amount £16k

### **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 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>R&amp;R PORTFOLIO</b>							
	<b>Commissioning Fund</b>							
13	Commissioning Fund - expenditure	86	86	86	0	1	0	0
Cr 13	Commissioning Fund - reserve income	Cr 86	Cr 86	Cr 86	0		0	0
<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>Planning</b>							
Cr 27	Building Control	14	14	Cr 19	Cr 33	2	Cr 21	0
Cr 164	Land Charges	Cr 168	Cr 167	Cr 168	Cr 1	3	Cr 0	0
433	Planning	617	618	589	Cr 29	4	Cr 45	0
1,090	Renewal	1,825	1,830	1,574	Cr 256	5	Cr 143	0
<b>1,332</b>		<b>2,288</b>	<b>2,295</b>	<b>1,976</b>	<b>Cr 319</b>		<b>Cr 209</b>	<b>0</b>
	<b>Recreation</b>							
1,940	Culture	1,973	2,097	2,193	96	6	61	0
5,087	Libraries	4,734	4,711	4,610	Cr 101	7	Cr 61	0
255	Town Centre Management & Business Support	219	300	263	Cr 37	8	Cr 26	0
<b>7,282</b>		<b>6,926</b>	<b>7,108</b>	<b>7,066</b>	<b>Cr 42</b>		<b>Cr 26</b>	<b>0</b>
<b>8,614</b>	<b>Total Controllable R&amp;R Portfolio</b>	<b>9,214</b>	<b>9,403</b>	<b>9,042</b>	<b>Cr 361</b>		<b>Cr 235</b>	<b>0</b>
11,630	<b>TOTAL NON CONTROLLABLE</b>	3,916	Cr 13,571	Cr 13,571	0		Cr 1	0
2,159	<b>TOTAL EXCLUDED RECHARGES</b>	2,469	2,281	2,281	0		0	0
<b>22,403</b>	<b>PORTFOLIO TOTAL</b>	<b>15,599</b>	<b>Cr 1,887</b>	<b>Cr 2,248</b>	<b>Cr 361</b>		<b>Cr 236</b>	<b>0</b>

## 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
Performance Awards	8

## Latest Approved Budget for 2015/16

15,826

## Memorandum Items

Capital Charges	Cr 838
Deferred Charges (REFCUS)	Cr 398
Impairment	Cr 15,749
Gov Grants Deferred	Cr 973
Insurance	Cr 76
Rent Income	0
Repairs & Maintenance	Cr 41
IAS19 (FRS17)	476
Excluded Recharges	Cr 114
<b>Reported Latest Approved Budget for 2015/16</b>	<b>Cr 1,887</b>

## **REASONS FOR VARIATIONS**

### **1) Commissioning Fund £0k**

Within the commissioning fund there is a balanced budget. Expenditure of £31k on commissioning activities carried out during 2015-16, has been fully funded by a drawdown from the earmarked reserve.

### **2. Building Control Cr £33k**

Within the chargeable account for Building Control, there is an income deficit of £114k. This was more than offset by an underspend within salaries of £143k arising from reduced hours being worked and vacancies. In addition a provision of 25k has been made for potential costs arising from a compensation claim. In accordance with Building Account Regulations, any net surplus / deficit is carried forward via the earmarked reserve for the Building Control Charging Account. The cumulative balance on that account remains unchanged at £130k.

Within the non-chargeable service there was an underspend of £33k, mainly as a result of delays in appointing to vacant posts, as well as other minor variations.

### **3. Land Charges Cr £1k**

Minor variations across the service have resulted in a net surplus of Cr £1k.

### **4. Planning Cr £29k**

Income from non-major planning applications was £172k above budget for 2015/16. For information, actual income received in 2015/16 is £110k higher than for the previous year, largely due to improving economic conditions.

For major applications, £323k was received in 2015/16 which was £23k above budget. Actual income was £78k less than that received for 2014/15.

A surplus of £38k income was achieved from pre-application meetings due to higher than budgeted activity levels. For information, this is £14k less than the income received in 2014/15.

Additional income of Cr £34k was achieved within the street naming & numbering service, which was £8k higher than that received in the previous year.

In addition there is a surplus of £24k from other miscellaneous income within Planning.

There was a net overspend within employee-related and running costs of £43k. This is mainly due to the recruitment of two additional temporary planning staff in order to assist with the current increase in volumes of planning applications.

As a direct result of losing planning appeals and a provision made for potential costs relating to a claim of compensation, there is an overspend of Dr £89k. In addition, Dr £130k has been incurred 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. Both of these additional costs are more than offset by surplus income.

#### **Summary of variations within Planning:**

	<b>£'000</b>
Surplus income from major applications	Cr 23
Surplus income from non-major applications	Cr 172
Surplus pre-application income	Cr 38
Surplus street naming & numbering income	Cr 34
Surplus on other planning income	Cr 24
Overspend within employee related costs	43
Costs re lost appeals	89
Use of consultants to provide specialist advice & plan app work	130
<b>Total variation for planning</b>	<b>Cr 29</b>

### **5. Renewal Cr £256k**

There is a net underspend across Renewal salaries of £68k due to part-year vacancies within the Regeneration and Planning Strategy & Projects teams. £22k 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, only £13k was 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 an underspend of £182k against the New Homes Bonus Top Slice funding (this includes the £22k 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.

During 2015/16 expenditure of £63k has been incurred for specialist consultancy work and Counsel advice relating to the Noise Action Plan for Biggin Hill Airport. This was partly funded by the £40k carried forward from 2014/15. Further consultancy work is required to be undertaken on the Noise Action Plan during 2016/17 and consequently a carry forward request will be made for £55k in order to complete this work.

Other minor net variations across the service total Cr £4k.

**Summary of variations within Renewal:**

	<b>£'000</b>
Underspend within employee related costs (excl NHB)	Cr 46
Local Plan Implementation (c/forward request to be made to June Exec)	Cr 47
Underspend related to NHB top slice funded work (incl £20k staff)	Cr 182
Spend relating to the noise action plan for Biggin Hill Airport	23
Other minor variations	Cr 4
	<b>Cr 256</b>

**6. Culture Dr 96k**

Although savings were built into the 2015/16 budget in anticipation of the closure of the Priory Museum, an overspend of £62k occurred. This was partly down to the museum being closed half way through the year resulting in both staffing and premises costs. In addition, extra temporary staff were employed for the remainder of the year in order to facilitate moves, preservation and storage of exhibits.

Additional costs of £8k have been incurred for security grills to secure the Priory building once empty and £10k has been spent on museum artefact conservation work including archiving, removal and relocation in advance of the new exhibitions. These costs were partly offset by minor net variations within the culture services of Cr £14k.

Following the completion of the tender process and the award of the contract to a new provider Qdos there have been issues raised from the outgoing provider ATG regarding the ownership of some of the items of equipment included in the lease and contract documentation. The view from the Legal Section regarding ownership of the disputed items is not conclusive and rather than go through a long and potentially expensive legal process it was agreed to try and reach a negotiated agreement between the Council, ATG, and Qdos that all parties would find acceptable. The initial valuation of the equipment was around £77k. Following lengthy discussions and negotiations the Council and ATG have agreed a sum of £30k to resolve the ownership of the disputed items. It is worth noting that whilst the change from the outgoing operator (ATG) to Qdos has produced some legal issues as highlighted above, the new 25 year arrangement with Qdos to manage and operate the Theatre provides a saving of £321k per year or around £8m over the 25 year life of the contract. Additionally the Council has transferred more maintenance responsibility within the new contract to Qdos which further reduces the Council's costs regarding the property.

**Summary of variations within Culture:**

	<b>£'000</b>
Priory Museum staffing & running costs	62
Security grills & museum artefact conservation work	18
Minor variations	Cr 14
Theatre equipment	30
	<b>96</b>

**7. Libraries Cr £101k**

Following a combination of strike action taken by a number of library staff during the year, as well as staff vacancies, there was an underspend on staffing of Cr £121k. £29k of this was re-invested within the IT budget to replace obsolete stock. Additional income of Cr £9k was generated during the year. The resulting net balance of £101k was used to offset the overspend within Culture.

Underspend within staffing (vacancies and impact of strike)	Cr 121
Replacement of obsolete IT stock	29
Additional income	Cr 9
	<b>Cr 101</b>

**8. Town Centre management Cr £37k**

There is an underspend of £42k relating to the two NHB top slice projects and a request will be submitted to the Executive to carry forward this amount in order to complete the specific projects which will be delivered over a period of two years. Other minor variations across the service total Dr £5k.

**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:

- Cumulative contract value of £491k for the procurement of regular cleaning services at the library sites, annual amount £84k
- Cumulative value of £75k for the procurement of Audio books at libraries, annual amount £15k
- Cumulative value of £206k for data connections at the library sites, annual amount £30k

**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 Final Approved £'000	2015/16 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>CHIEF EXECUTIVE'S DEPARTMENT</b>							
	<b>FINANCIAL SERVICES DIVISION</b>							
	<b>Financial Services &amp; Procurement</b>							
191	Director of Finance & Other	202	202	200	Cr 2		0	0
6,507	Exchequer - Revenue & Benefits	6,389	6,400	6,339	Cr 61	1	Cr 2	0
495	Financial Accounting	495	657	602	Cr 55	2	Cr 4	0
1,179	Management Accounting	1,109	1,123	987	Cr 136	3	Cr 116	0
<b>8,372</b>	<b>Total Financial Services Division</b>	<b>8,195</b>	<b>8,382</b>	<b>8,128</b>	<b>Cr 254</b>		<b>Cr 122</b>	<b>0</b>
	<b>CORPORATE SERVICES DIVISION</b>							
4,386	<b>Information Systems &amp; Telephony</b>	4,394	4,530	4,453	Cr 77	4	Cr 26	0
	<b>Operational Property Services</b>							
419	Operational Property	375	450	464	14	5	0	0
1,809	Repairs & Maintenance (All LBB)	1,920	2,319	2,018	Cr 301	6	Cr 195	0
945	<b>Customer Services (inc. Bromley Knowledge)</b>	923	937	1,027	90	7	71	36
	<b>Legal Services &amp; Democracy</b>							
685	Electoral	312	312	323	11	8	44	0
1,450	Democratic Services	1,383	1,384	1,371	Cr 13	9	0	0
Cr 106	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 104	Cr 10	10	6	0
1,447	Legal Services	1,548	1,581	1,564	Cr 17	11	32	0
1,613	Admin. Buildings	1,613	1,617	1,554	Cr 63	12	Cr 12	0
481	Facilities & Support	467	470	448	Cr 22	13	Cr 16	0
166	<b>Management and Other (Corporate Services)</b>	148	148	168	20	14	20	0
<b>13,295</b>	<b>Total Corporate Services Division</b>	<b>12,989</b>	<b>13,654</b>	<b>13,286</b>	<b>Cr 368</b>		<b>Cr 76</b>	<b>36</b>
	<b>HR DIVISION</b>							
1,481	Human Resources	1,543	1,548	1,501	Cr 47	15	Cr 64	0
<b>1,481</b>	<b>Total HR Division</b>	<b>1,543</b>	<b>1,548</b>	<b>1,501</b>	<b>Cr 47</b>		<b>Cr 64</b>	<b>0</b>
	<b>CHIEF EXECUTIVE'S DIVISION</b>							
770	Audit	733	733	733	0		Cr 4	0
379	Financial Systems	421	422	400	Cr 22	16	0	0
427	Procurement	446	447	354	Cr 93	17	Cr 1	0
1,726	Exchequer - Payments & Income	1,516	1,554	1,500	Cr 54	18	Cr 41	0
201	Comms	213	216	205	Cr 11	19	Cr 21	0
601	Management and Other (C. Exec)	786	786	710	Cr 76	20	Cr 38	0
141	Mayoral	144	144	122	Cr 22	21	Cr 9	0
<b>4,245</b>	<b>Total Chief Executive's Division</b>	<b>4,259</b>	<b>4,302</b>	<b>4,024</b>	<b>Cr 278</b>		<b>Cr 114</b>	<b>0</b>
	<b>TRANSFORMATION &amp; REGENERATION DIVISION</b>							
	<b>Strategic Property Services</b>							
214	Investment & Non-Operational Property	390	390	203	Cr 187	22	Cr 138	Cr 90
550	Strategic Property Services	606	638	537	Cr 101	23	Cr 40	0
Cr 5,630	Investment Income	Cr 7,393	Cr 7,396	Cr 7,456	Cr 60	24	Cr 131	Cr 995
Cr 833	Other Rental Income - Other Portfolios	Cr 824	Cr 824	Cr 824	0		47	0
<b>Cr 5,699</b>	<b>Total Transformation &amp; Regeneration Division</b>	<b>Cr 7,221</b>	<b>Cr 7,192</b>	<b>Cr 7,540</b>	<b>Cr 348</b>		<b>Cr 262</b>	<b>Cr 1,085</b>
<b>21,694</b>	<b>Total Controllable Departmental Budgets</b>	<b>19,765</b>	<b>20,694</b>	<b>19,399</b>	<b>Cr 1,295</b>		<b>Cr 638</b>	<b>Cr 1,049</b>
	<b>CENTRAL ITEMS</b>							
7,450	<b>CDC &amp; Non Distributed Costs (Past Deficit etc.)</b>	7,542	7,542	7,526	Cr 16		0	0
10,425	<b>Concessionary Fares</b>	10,562	10,997	10,994	Cr 3		0	0
<b>39,569</b>	<b>Total Controllable</b>	<b>37,869</b>	<b>39,233</b>	<b>37,919</b>	<b>Cr 1,314</b>		<b>Cr 638</b>	<b>Cr 1,049</b>

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 £'000	Full Year Effect £'000
Cr 1,311	<b>Total Non Controllable</b>	3,367	Cr 781	Cr 781	0		0	0
Cr 19,609	<b>Total Excluded Recharges</b>	Cr 19,423	Cr 18,472	Cr 18,472	0		0	0
Cr 1,384	<b>Less: R&amp;M allocated across other Portfolios</b>	Cr 1,522	Cr 1,439	Cr 1,439	0		0	0
833	<b>Less: Rent allocated across other Portfolios</b>	824	824	824	0		Cr 48	0
<b>18,098</b>	<b>TOTAL CHIEF EXECUTIVE'S DEPARTMENT</b>	<b>21,115</b>	<b>19,365</b>	<b>18,051</b>	<b>Cr 1,314</b>		<b>Cr 686</b>	<b>Cr 1,049</b>
<b>18,098</b>	<b>TOTAL RESOURCES PORTFOLIO</b>	<b>21,115</b>	<b>19,365</b>	<b>18,051</b>	<b>Cr 1,314</b>		<b>Cr 686</b>	<b>Cr 1,049</b>
	<b>Memorandum Item</b>							
	<b>Sold Services</b>							
31	Facilities (Caretaking) Schools Trading Account	12	20	42	22	25	34	0
Cr 6	Reactive Maintenance Schools Trading Account	0	0	Cr 9	Cr 9	25	1	0
<b>25</b>	<b>Total Sold Services</b>	<b>12</b>	<b>20</b>	<b>33</b>	<b>13</b>		<b>35</b>	<b>0</b>

**Reconciliation of Final Budget** **£'000**  
**Original budget 2015/16** **21,115**

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	15
Increase in Pension Contract	59
- Recharged to Pension Fund	Cr 59
Merit Award drawdown	23
Transfer between ASC/Corp r.e. Day Centre/Transport addtl costs to Liberata	7
Transfer of post	
Financial Accounting	7
Management Accounting and Systems	Cr 7

**Memorandum Items**

Capital Charges 5802	Cr 233
Deferred Charges (REFCUS) 5804	Cr 1,619
Impairment 5806	Cr 501
Insurance	Cr 50
Rent Income - Resources	Cr 60
Rent Income - All Portfolios	60
Repairs & Maintenance - Resources	Cr 83
Repairs & Maintenance - All Portfolios	301
IAS19 (FRS17)	226
Past Service Costs FRS17	Cr 1,971
Excluded Recharges	962
<b>Latest Approved Budget for 2015/16</b>	<b>19,365</b>

## **REASONS FOR VARIATIONS**

### **FINANCIAL SERVICES DIVISION**

#### **1 Exchequer - Revenue & Benefits Cr £61k**

Overall there was a variance of Cr £61k made up of the following: -

There was an underspend on staffing of Cr £61k due to vacancies and a member of staff reducing their hours.

The revenues and Benefits contract overspent by Dr £58k due to additional costs arising from the Council Tax support public consultation exercise. One-off costs of Dr £46k were incurred on business software, relating to the development of Resource Link and an NNDR income projection tool.

Liberata exceeded their collection targets and provision was made for the incentive payments of Dr £186k.

Additional grant income of Cr £131k was received to cover administration costs.

There was an underspend of Cr £100k on the discretionary hardship fund partly due to awaiting the outcome of a Judicial Review regarding payments at two other Councils.

Income from court costs was Cr £25k higher than anticipated and other minor variations across the service totalled Cr £34k.

<b>Summary of variations for Exchequer (Revenue &amp; Benefits)</b>	<b>£'000</b>
Staffing	Cr 61
Revenues & benefits contract	58
One-off system software development costs	46
Incentive payments to Liberata	186
Grant income	Cr 131
Discretionary hardship fund	Cr 100
Income from Court costs	Cr 25
Other minor variances	Cr 34
<b>Total variations for Exchequer (Revenue &amp; Benefits)</b>	<b><u>Cr 61</u></b>

#### **2 Financial Accounting - £55k Cr**

There was an underspend of Cr £55k for Financial Accounting. A request has been submitted to carry forward Cr £41k as it relates to professional fees on the MEARS agreement which will be completed during 2016/17. The remaining Cr £14k relates to minor variations across staffing and running expenses.

#### **3 Management Accounting Cr £136k**

The underspend of Cr £136k for Management accounting 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.

#### **4 Information Systems & Telephony Cr £77k**

Staff vacancies during the year have resulted in an underspend of Cr £57k and there were other minor variances across running expenses of Cr £20k. A carry forward request to fund additional transition costs relating to the BT contract during 2016/17 has been submitted.

#### **5 Operational Property Services Dr £14k**

This variance relates to the net deficit made on the two trading accounts with schools for reactive maintenance and caretaking.

## **6 Repairs & Maintenance (All LBB) Cr £301k**

There was a net underspend of Cr £301k for the Repairs & Maintenance budgets across the Council. Underspends related to Anerley Town Hall Cr £60k and the Central Depot Cr £135k. Cyclical and water treatment works that were not fully completed by the end of March totalled Cr £106k.

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.

## **7 Customer Services (inc. Bromley Knowledge) Dr £90k**

Savings of £47k relating to the Channel Shift savings identified for 14-15 have not yet been achieved to date. There are annual maintenance costs of Dr £36k 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. Other minor variations total Dr £7k.

## **8 Electoral Dr £11k**

There is a net overspend of Dr £11k 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 Democratic Services Cr £13k**

Minor net variations across the service total Cr £13k.

## **10 Registration of Births, Deaths & Marriages Cr £10k**

There is a net underspend of Cr £10k mainly due to vacancies during the year.

## **11 Legal Services Cr £17k**

An overspend of £31k on staffing is more than offset by additional fee income generated during the year of Cr £48k.

## **12 Admin. Buildings Cr £63k**

Additional costs were incurred for agency staff employed to cover vacancies Dr £30k. This was more than offset by savings in premises costs.

Extra rental income was received for Yeoman House Cr £21k and there was a reduction in cleaning contract costs due to the temporary closure of some sites Cr £24k.

Gas consumption reduced due to the milder weather Cr £22k and NNDR charges were Cr £16k less than budgeted. Other minor variances across the service totalled Cr £10k.

<b>Summary of variations for Admin Buildings</b>	<b>£'000</b>
Agency staff	30
Rental income at Yeoman House	Cr 21
Cleaning contract costs	Cr 24
Gas	Cr 22
NNDR charges	Cr 16
Other minor variances	Cr 10
<b>Total variations for Admin Buildings</b>	<b>Cr 63</b>

## **13 Facilities & Support Cr £22k**

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

## **14 Management and Other (Corporate Services) Dr £20k**

An overspend of £20k relates to a saving included the 15-16 budget that has not yet been realised.

## HUMAN RESOURCES DIVISION

### 15 HR Cr £47k

This underspend includes Cr £37k on staffing arising from vacancies and other minor variations on other budgets totalling Cr £10k.

## CHIEF EXECUTIVE'S DIVISION

### 16 Financial Systems Cr £22k

This variation is mainly due to an underspend on Line of Business Software.

### 17 Procurement Cr £93k

Cr £73k relates to the renegotiated MFD Contract - Digital Print Strategy to MFD costs of lease purchases of software and hardware. Cr £15k relates to refund from O2 in respect of unused airtime and the remaining Cr £5k underspend relates minor variations in running expenses.

### 18 Exchequer Services - Payments & Income Cr £ 54k

Cr £28k relates to staffing from vacancies within the year and Cr £26k relates to income from service charges and minor variations within other running expenses.

### 19 Comms Cr £11k

Additional costs for printing and stationery and a contribution to BSCB of Dr £13k has more than been offset by an underspend of Cr £24k within staffing due to part year vacancies.

### 20 Management & Other (Chief. Exec.) Cr £76k

A refund was received for Cr £37k relating to the London Councils subscription. Cr £12k relates to a reduction in employers contribution to the Pension Fund as result of an employee opting out of the Pension Fund.

Savings of Cr £14k was made as no contributions were required to be made towards LLA Bills and Corporate Publications. Other minor variations totalled Cr £13k.

### 21 Mayoral Cr £22k

This variation mainly relates to an underspend on staffing as a result of a post being deleted.

## TRANSFORMATION & REGENERATION DIVISION

### 22 Investment and Non-Operational Property (expenditure) Cr £187k

Overall the budget for Investment and Non Operational Property has an underspend of Cr £187k. This includes the following items:

The Exchequer House (Bromley Old Town Hall) is a listed building and is currently vacant awaiting the sale to go through in early 2016/17. Savings on premises and security costs total Cr £183k.

There was an overspend of Dr £41k for Surplus Properties. This relates to additional costs of Dr £27k for business rates and Dr £14k for other premises costs such as utilities.

Due to on-going negotiations on the Anerley Business Centre lease, the IT upgrade was not started this financial year. A request to carry forward the £30k has been made to enable the contribution to be passed to the Crystal Palace Trust.

Other minor variations within premises costs within the service total Cr £15k.



## 23 Strategic Property Services Cr £101k

The staffing and running expenses budget ended up being Cr £72k underspent mainly due to vacancies during the year.

Conditions surveys were carried out at a cost of Dr £27k to update CAD drawings to ensure compatibility with existing software. This was more than offset by additional fee income of Cr £31k generated from the sale of several properties such as Egerton Lodge, Snowdon Close and Penge Library.

More staff time was recharged to capital schemes as there was an increase in the number of projects being managed during the year, Cr £25k.

## 24 Investment Income Cr £ 60k

There was a net surplus of Cr £60k for Investment Income which was made up of the following variances:

a) There is an overall shortfall of income on Investment Fund Properties of Dr £17k.

For 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 purchases of these properties is £62.7m of which £28.5m relates to properties in Bromley High Street.

The 2015-16 budget for the expected income from these properties was £3.025m. The actual income received to date was £3.008m, a deficit of Dr £17k. The full year income expected from these properties is £4.02m.

b) The intu Shopping Centre Rent Share is Dr £147k below budget. Accounts are supplied by intu quarterly in arrears and this outturn position is based on information sent on the 28th April 2016. 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. For information, the budget for the shopping centre rent share is £2,026k.

c) Additional income at Yeoman House from the NHS CCG with regards to the section 75 agreement totals Cr £68k. It should be noted that this may not be on going beyond 2017-18.

Additional rental income of Cr £130k was received for the Civic Centre from Liberata and from CrossFit. Other minor variations totalled Cr £26k.

### **Summary of variations for Investment Income**

	<b>£'000</b>
Income from Investment Fund Properties	17
Rent share from the intu shopping centre	147
Income from Yeoman House	Cr 68
Rental income from Civic Centre	Cr 130
Other minor variations	Cr 26
<b>Total variations for Investment Income</b>	<b>Cr 60</b>

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 Saervice 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, 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, 1 virement has been actioned - £20k for ISD Contract Transition Manager from within ISD budgets.

Allocation of Contingency Provision for 2015/16

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision	Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year		
	£	£	£	£	£	£	£
<b>Environmental Services</b>							
Street Environment contract	60,000				0	Cr 60,000	
<b>Renewal and Recreation</b>							
Planning Appeals - change in legislation	60,000				0	Cr 60,000	
<b>Care Services</b>							
Public Health							
Transfer of 0 - 5 years old Services (health visitors etc)	1,901,000	1,901,000			1,901,000	(6)	0
Government Funding to meet cost of service	Cr 1,901,000	Cr 1,901,000			Cr 1,901,000		0
Winter Resilience Funding (Bromley CCG)							
- expenditure					0		0
- income					0		116,750
							Cr 116,750
<b>Education</b>							
Reduction in Education Services Grant	400,000		478,000		478,000		78,000
<b>General</b>							
Provision for unallocated inflation	2,508,000	213,000			213,000	(2)	Cr 2,295,000
Provision for risk/uncertainty	2,193,000				0		Cr 2,193,000
Provision for cost pressures arising from variables	2,000,000				0		Cr 2,000,000
Provision for risk/uncertainty relating to volume and cost pressures	1,950,000				0		Cr 1,950,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,100,000	649,000			649,000	(6)	Cr 451,000
Changes in Parking Enforcement	1,000,000	306,000			306,000	(6)	Cr 694,000
Retained Welfare Fund	450,000				0		Cr 450,000
Freedom Passes	326,000	438,300			438,300	(2)&(6)	112,300
Deprivation of Liberty	314,000		Cr 45,000		Cr 45,000		Cr 359,000
Growth for Waste Services	300,000				0		Cr 300,000
Grants to Voluntary Organisations	275,000				0		Cr 275,000
Disabled Facilities Grant RCCO	232,000				0		Cr 232,000
Care Act - Revised Assessment Costs	2,876,000				0		Cr 2,876,000
Care Act - Funding from Better Care Fund	Cr 750,000	Cr 750,000			Cr 750,000	(9)	0
Care Act - Government Funding	Cr 1,848,000	Cr 1,848,000			Cr 1,848,000	(9)	0
Other Provisions	341,000				0		Cr 341,000
Civic Centre Development Strategy					0	(4)	0
Pension Investment Proposal					0	(6)	200,000
Residential Property Acquisition					0	(6)	0
Biggin Hill Memorial Museum		106,000			106,000	(6)	106,000
Adult Education Supplementary Estimate		382,000			382,000	(6)	382,000
Contribution to Growth Fund		6,500,000			6,500,000	(10)	6,500,000
Further Contribution to Growth Fund		6,000,000			6,000,000	(10)	6,000,000
Crystal Palace Park Improvements		240,000			240,000	(8)	240,000
One Off Expenditure in 2016/17 (including Facilities Mngt Contract)		461,000			461,000	(9)	461,000
Contracts Register/Summaries Database					0		0
Biggin Hill Memorial Museum					0		50,000
Civic Centre Development Strategy Document Management					0		47,400
						(11)	200,000
	<b>13,787,000</b>	<b>12,697,300</b>	<b>433,000</b>	<b>0</b>	<b>13,130,300</b>		<b>Cr 656,700</b>
							<b>604,900</b>
<b>Grants included within Central Contingency Sum</b>							
SEND Implementation Grant							
Grant related expenditure	176,819	148,343			148,343	(1)	Cr 28,476
Grant related income	Cr 176,819	Cr 148,343			Cr 148,343		28,476
Regional Lead for the SEND Reforms							
Grant related expenditure	62,000	61,924			61,924	(5)	Cr 76
Grant related income	Cr 62,000	Cr 61,924			Cr 61,924		76
Lead Local Flood Authorities							
Grant related expenditure	216,000	213,000			213,000	(2)	Cr 3,000
Adoption Reform							
Grant related expenditure	273,000				0	(12)	Cr 273,000
Grant related income	Cr 273,000				0		273,000
Tackling Troubled Families Grant							
Grant related expenditure	426,000				0		Cr 426,000
Grant related income	Cr 426,000				0		426,000
Transformation Challenge Award							
Grant related expenditure	344,000	195,000			195,000	(7)	Cr 149,000
Grant related income	Cr 344,000	Cr 195,000			Cr 195,000		149,000
Individual Electoral Registration Process							
Grant related expenditure	102,000	97,000			97,000		Cr 5,000
Grant related income	Cr 102,000	Cr 97,000			Cr 97,000		5,000
Domestic Abuse							
Grant related expenditure		60,000			60,000	(3)	60,000
Grant related income		Cr 60,000			Cr 60,000		60,000
Deprivation of Liberty Safeguards							
Grant related expenditure		Cr 126,982			Cr 126,982	(5)	Cr 126,982
Grant related income		126,982			126,982		126,982
Social Care innovation Grant							
Grant related expenditure		100,000			100,000	(2)	100,000
Grant related income		Cr 100,000			Cr 100,000		100,000
Housing Regulations							
Grant related expenditure		3,000			3,000	(2)	3,000
Grant related income		Cr 3,000			Cr 3,000		3,000
Independent Living Fund							
Grant related expenditure		526,049			526,049	(6)	526,049
Grant related income		Cr 526,049			Cr 526,049		526,049
Helping People Home							
Grant related expenditure					0		0
Grant related income					0		0
Smartphone Counter Fraud App Grant							
Grant related expenditure		111,806			111,806	(6)	111,806
Grant related income		Cr 111,806			Cr 111,806		111,806
Temporary Accommodation Pressures Funding							
Grant related expenditure					0		0
Grant related income					0		0
CTD Family Annexes							
Grant related expenditure		3,678			3,678		3,678
Grant related income		Cr 3,678			Cr 3,678		3,678
<b>Total Grants</b>	<b>216,000</b>	<b>213,000</b>	<b>0</b>	<b>0</b>	<b>213,000</b>	<b>Cr 3,000</b>	<b>0</b>
<b>TOTAL CARRIED FORWARD</b>	<b>14,003,000</b>	<b>12,910,300</b>	<b>433,000</b>	<b>0</b>	<b>13,343,300</b>	<b>Cr 659,700</b>	<b>604,900</b>

Notes:

- (1) Executive 25th March 2015
- (2) Executive 15th July 2015
- (3) Executive 9th September 2015
- (4) Executive 17th September 2015
- (5) Executive 14th October 2015
- (6) Executive 2nd December 2015
- (7) Executive 13th January 2016
- (8) Executive 22nd July 2014
- (9) Executive 23rd March 2016
- (10) Council 14th December 2015 & 11th April 2016
- (11) Executive 18th May 2016
- (12) Fallout of Grant (assumed to continue when original budget set)

Allocation of Contingency Provision for 2015/16 (continued)

Item	Carried Forward from 2014/15	Allocations				Variation to Original Contingency Provision	Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year		
	£	£	£	£	£	£	£
<b>TOTAL BROUGHT FORWARD</b>	<b>14,003,000</b>	<b>12,910,300</b>	<b>433,000</b>	<b>0</b>	<b>13,343,300</b>	<b>Cr 659,700</b>	<b>604,900</b>
<b>Items Carried Forward from 2014/15</b>							
<b>Care Services</b>							
Social Care Funding via the CCG under S256 agreements							
Invest to Save - Dementia and PD							
- expenditure	208,790	208,790			208,790	(2)	0
- income	Cr 208,790	Cr 208,790			Cr 208,790		0
Impact of Care Bill							
- expenditure	104,750	104,750			104,750	(2)	0
- income	Cr 104,750	Cr 104,750			Cr 104,750		0
Integration Funding - Better Care Fund							
- expenditure	300,000	300,000			300,000	(2)	0
- income	Cr 300,000	Cr 300,000			Cr 300,000		0
Helping People Home							
- expenditure	27,930	27,930			27,930	(2)	0
- income	Cr 27,930	Cr 27,930			Cr 27,930		0
Adoption Reform							
- expenditure	417,737	285,414			285,414	(2)	Cr 132,323
- income	Cr 417,737	Cr 285,414			Cr 285,414		Cr 132,323
Tackling Troubled Families							
- expenditure	1,260,151	886,660			886,660	(2)&(9)	Cr 373,491
- income	Cr 1,260,151	Cr 886,660			Cr 886,660		Cr 373,491
Step Up to Social Work							
- expenditure	72,159				0	Cr	72,159
- income	Cr 72,159				0		Cr 72,159
Public Health							
- expenditure	140,909				0	Cr	140,909
- income	Cr 140,909				0		Cr 140,909
Welfare Reform Funding for Housing							
- expenditure	65,063	65,063			65,063	(2)	0
- income	Cr 65,063	Cr 65,063			Cr 65,063		0
<b>Chief Executive's</b>							
Individual Electoral Registration							
- expenditure	19,000	19,000			19,000	(5)	0
- income	Cr 19,000	Cr 19,000			Cr 19,000		0
<b>Education</b>							
Early Years Grant							
- expenditure	18,808	18,808			18,808	(6)	0
- income	Cr 18,808	Cr 18,808			Cr 18,808		0
SEND Reform/Implementation							
- expenditure	307,357	307,357			307,357	(1)	0
- income	Cr 307,357	Cr 307,357			Cr 307,357		0
SEN Preparation for Employment							
- expenditure	45,941	45,941			45,941	(6)	0
- income	Cr 45,941	Cr 45,941			Cr 45,941		0
<b>Public Protection &amp; Safety</b>							
Domestic Abuse							
- expenditure	26,570	26,570			26,570	(4)	0
- income	Cr 26,570	Cr 26,570			Cr 26,570		0
<b>General</b>							
YOT Service Strategy Review	76,500	76,500			76,500	(6)	0
Review of Placing Planning	11,000	11,000			11,000	(6)	0
Waste - 3 split bodied vehicles	558,000	558,000			558,000	(3)	0
- underspend to be returned to contingency		Cr 200,000			Cr 200,000		Cr 200,000
Countryside & Woodland Improvement Works	40,000	40,000			40,000	(3)	0
Keston Ponds Dam	20,000	20,000			20,000	(3)	0
Local Plan Implementation	60,000	60,000			60,000	(7)	0
Biggin Hill Airport - Noise Action Plan	40,000	40,000			40,000	(7)	0
IT Purchase of Hardware for Disaster Recovery/Windows	122,000	122,000			122,000	(5)	0
Legal Case Work System Upgrade	29,900	29,900			29,900	(5)	0
Transparency Agenda	29,000	29,000			29,000	(5)	0
Staff Merit Awards (held in Contingency)	200,000		110,830		110,830		Cr 89,170
	<b>1,186,400</b>	<b>786,400</b>	<b>110,830</b>	<b>0</b>	<b>897,230</b>	<b>Cr 289,170</b>	<b>89,170</b>
<b>Grants included within Central Contingency Sum</b>							
Winter Resilience Funding (Bromley CCG)							
- expenditure	366,480	15,002			15,002	(8)	Cr 351,478
- income	Cr 366,480	Cr 15,002			Cr 15,002		Cr 351,478
<b>Total Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Carried Forward</b>	<b>1,186,400</b>	<b>786,400</b>	<b>110,830</b>	<b>0</b>	<b>897,230</b>	<b>Cr 289,170</b>	<b>89,170</b>
<b>GRAND TOTAL</b>	<b>15,189,400</b>	<b>13,696,700</b>	<b>543,830</b>	<b>0</b>	<b>14,240,530</b>	<b>Cr 948,870</b>	<b>694,070</b>

Notes:

- |   |   |
|---|---|
| (1) Executive 25th March 2015                       | (6) Education Budget Sub-Committee 30th June 2015 |
| (2) Care Services PDS 23rd June 2015                | (7) Renewal & Recreation PDS 24th June 2015       |
| (3) Environment PDS 7th July 2015                   | (8) Executive 15th July 2015                      |
| (4) Public Protection and Safety PDS 30th June 2015 | (9) Executive 2nd December 2015                   |
| (5) Executive & Resources PDS 3rd June 2015         |   |

Description	2015/16 Final Approved Budget £'000	Variation To 2015/16 Budget £'000	Potential Impact in 2016/17
Education Services Grant	Cr 1,650	0	The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and grant reduces in-year as schools convert to academies. This has been dealt with by a draw down from contingency. The full year effect of the ESG grant reduction is £75k after this adjustment and is included in the financial forecast for the 2016/17 budget.
Adult Education	Cr 219	Cr 14	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	1,554	203	Pressure to achieve the 2015-16 savings will continue in to the following financial year with a full year effect of £62k 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	6,315	43	Pressures in Temporary Accommodation (TA) (Bed and Breakfast) will continue into 2016/17. The full year effect of the pressures in 2016/17 is forecast to be £55k 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	19,715	Cr 719	The current full year effect on client projections is estimated as Cr £603k. 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	2,641	0	The full year effect on client projections is estimated at Dr £198k in relation to Domiciliary Care and Direct Payments budgets.

Description	2015/16 Final Approved Budget £'000	Variation To  2015/16 Budget £'000	Potential Impact in 2016/17
Residential, Supported Living, Shared Lives - Learning Disabilities	24,293	Cr 577	Despite a significant 2015/16 underspend, the full year effect is estimated at a lower level of underspend at £40k. This is because 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	6,176	Cr 239	The full year impact of the current underspend is estimated at Cr £134k. As with LD above, this is lower than the 2015/16 underspend as clients placed towards the end of 2015/16 will only have a part year cost in 2015/16 but a full year cost in 2016/17.
Supporting People	1,413	Cr 79	The full year effect of the current year's underspend is Cr £164k. This has arisen from limiting inflationary increases paid to providers and re-tendering / extending contracts at a reduced cost.
Protection of Existing Social Care Services - Better Care Fund	4,250	Cr 529	There is a full year underspend of £267k on existing social care services protected by Better Care Funding. This relates to contracts in the Information and Early Intervention and Carers budgets.
Commissioning - Contracts	432	Cr 58	The full year effect underspend of savings on Commissioning-related contracts (e.g. Healthwatch, direct payments) is £99k and, again, is early achievement of 2016/17 budget savings.
Children's Social Care	27,934	Cr 196	The current full year effect for CSC is estimated at Cr £482k. This can be analysed as Cr £453k on placements, Cr £75k for the virtual school, Dr £166k 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.
Transport	1,375	Cr 209	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	14	Although a sum of £151k was transferred to reserves at the end of the year, at this stage it is not expected that this would be recurring therefore a full year effect of £0k is now reported.

Description	2015/16 Final Approved Budget £'000	Variation To  2015/16 Budget £'000	Potential Impact in 2016/17
Customer Services	937	90	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 187	An ongoing underspend of £90k 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 7,396	Cr 60	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 £4.02m. 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 50	The current year's surplus income of £35k due to higher than budgeted activity as well as £10k of the £15k underspends across running expenses are expected to continue into 2016/17.
Waste	18,087	Cr 182	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)	7,219	228	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 have found alternative savings to offset this deficit in future years, part of which is the additional parking income.
Parking	Cr 6,451	Cr 1,004	£200k of this on-going surplus is expected to be used to offset the deficit relating to the implementation of the changes as a result of the Deregulation Act on CCTV parking and bus lane enforcement as set out in the report to the Executive on 2 December 2015. £85k surplus parking income anticipated for 2016/17 will be used to contribute towards the Highways deficit as part of the budget setting process. A carry forward request for £306k of the underspend in 2015/16 has been submitted to meet the cost of the new automatic enforcement cameras in early 2016/17.

**Carry Forwards from 2015/16 to 2016/17**

<b>WITHIN DELEGATED AUTHORITY</b>		<b>£</b>	<b>£</b>
<b><u>RESOURCES PORTFOLIO</u></b>			
<b>1</b>	<b>Repairs and Maintenance (All Departments)</b> 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.  The total of £301k to be carried forward relates to underspends in the following areas: Anerley Town Hall Subsidence Works (£60k) Water Treatment works (£50k) Reconstruction of Old Stable Block wall at Central Depot (£135k) Cyclical maintenance (£56k)		<b>301,000</b>
<b>MEMBERS' APPROVAL REQUIRED</b>			
<b><u>Grants with Explicit Right of Repayment</u></b>			
<b><u>CARE SERVICES PORTFOLIO</u></b>			
<b>2</b>	<b>Social Care Funding via the CCG under s256 Agreements:</b> <b>Adult Social Care Invest to Save Schemes</b> Between 2010/11 and 2012/13 the Department of Health allocated funds for social care services which also supported the NHS. This funding was transferred to Bromley from the PCT under s256 agreements. A number of investment plans were approved by the Executive and drawn down in to the ECHS budget. The remaining unspent funding is required to be carried forward to 2016/17 to fund the residual commitments of the schemes. If the funding is not spent on agreed priorities there is a right of repayment.	<b>48,170</b>	
	<b>Integration Funding - Better Care Fund</b> The 2014/15 funding transfer from NHS England included a £992k one-off integration payment which formed the first part of the Better Care Fund. The unspent balance of £300,000 is required in 2016/17 to support the development of integrated commissioning with the CCG.	<b>300,000</b>	
<b>3</b>	<b>Better Care Fund</b> 2015/16 has been the first full year of operation for the Better Care Fund (BCF). Some BCF allocations, including those for resilience and reablement, were not fully spent by 31st March 2016 and it is required that these are carried forward for spending on BCF activities in 2016/17. This funding will be allocated together with the new BCF funding for 2016/17 and be allocated to projects as agreed.	<b>381,360</b>	
<b>4</b>	<b>Helping People Home Grant</b> On 27th January 2015 LBB received notification from the DCLG that we would be receiving additional funding via a DOH section 31 grant in 2014/15 to "help address the current pressures on acute hospitals that serve your area because of delayed discharges to social care for your residents". The grant allocation was £120,000. Following on from this a further notification was received on the 25th March 2015 notifying us of an additional £40,000 for extension of the scheme. This amount was not utilised at the time and needs to be carried forward for possible repayment , or continuation of services with agreement from the DOH.	<b>40,000</b>	
<b>5</b>	<b>Winter Resilience Funding 14/15 (Bromley CCG)</b> As part of Winter Resilience planning in 2014/15 by Bromley CCG, a sum of £680,288 was allocated to LBB from the CCG for care packages and additional equipment over the period October 2014 to March 2015 to assist in discharges from hospital of which £313,808 was spent in that year, The balance of £366,480 remaining was carried forward into 2015/16 and £15,000 of this was spent. As winter resilience spending in 2015/16 was able to be contained within the allocated funding, this sum was not required this year. Bromley CCG have agreed that any underspends may be carried forward to be spent on continuation of the projects.	<b>351,480</b>	
<b>6</b>	<b>Winter Resilience Funding 15/16 (Bromley CCG)</b> As part of Winter Resilience planning by Bromley CCG, a further sum of £116,750 was allocated to LBB from the CCG for care packages for the month of April 2016 to assist in discharges from hospital. For 2015/16, expenditure was able to be contained by Winter Resilience funding which now comes from the Better Care Fund, so this sum was not required in year. Bromley CCG have agreed that any underspends may be carried forward to be spent on continuation of the projects already started.	<b>116,750</b>	
<b>7</b>	<b>DCLG Preventing Homelessness Grant</b> This grant was approved by DCLG and received by Bromley late in 2015/16. The grant is to be used to fund a pilot around early intensive intervention to increase homeless prevention and access to privately rented accommodation as part of the initiatives to reduce the current homelessness and temporary accommodation pressures. This pilot required the recruitment of staff to allow it to start and this was not possible until the early part of 2016/17. We intend to fully spend the grant during 2016/17, with reports back to Members through the regular performance monitoring reports for housing.	<b>200,000</b>	
Care Services Portfolio			<b>1,437,760</b>



**RENEWAL & RECREATION PORTFOLIO**

<b>8</b>	<b>New Homes Bonus - Town Centre Management</b> There is an underspend of £42k relating to the two NHB top slice projects within Orpington and Penge, and a request will be submitted to the Executive to carry forward this amount in order to complete the specific projects which will be delivered over a period of two years to 31 March 2017.	<b>41,687</b>
<b>9</b>	<b>New Homes Bonus - Regeneration</b> There are 4 NHB top slice revenue projects which secured funding agreed through LEP in 2015/16. These will be delivered over 2 years commencing in 2015/16. The 4 projects include: Penge town centre and Orpington town centre (a proportion of which was allocated to TCM and is included in a separate carry forward request), Biggin Hill Technology & Enterprise centre and Lagoon Rd industrial estate refurbishment. These projects will be delivered over 2 years commencing in 2015/16. At the end of 2015/16 £181,571 of budget had not yet been utilised and a carry forward has been requested so that the associated project work can be completed in 2016/17.	<b>181,571</b>
Renewal & Recreation Portfolio		<b>223,258</b>
<b>Total Expenditure to be Carried Forward</b>		<b>1,661,018</b>
<b>Total Grant Income</b>		<b>-1,661,018</b>

**Grants with no Explicit Right of Repayment****RESOURCES PORTFOLIO**

<b>10</b>	<b>Individual Electoral Registration (IER) Transition Grant</b> A grant of £72,609 was received in March 2016 to support the changes required for the introduction of Individual Electoral Registration. Due to the late notification of this funding it was not possible to spend it in 2015/16 and it is therefore requested to carry forward this sum to 2016/17.	<b>72,609</b>
<b>11</b>	<b>New Debt Management System</b> Transformation grant of £344k was received during March 2016 and was set aside to fund new Debt Management System. £167k was spent during 2015/16 however the balance is needed to meet the costs of finalising the system during 2016/17. It is therefore requested to carry this sum forward to 2016/17.	<b>177,000</b>
Resources Portfolio		<b>249,609</b>

**CARE SERVICES PORTFOLIO**

<b>12</b>	<b>Adoption Reform Grant</b> This is the non ring-fenced element of the Adoption Reform grant. Bromley received £548k grant in 2013/14 of which £63k was spent with the balance of £485k carried forward to 2014/15. A further £273k of grant was received in 2014/15, bringing the total funding available to £758k in 2014/15. Expenditure of £341k was incurred during the year and £285k in 2015-16. This leaves a balance of £132k. The balance of grant is requested to be carried forward to support work to the develop the increased supply of adopters with the aim of reducing the backlog of children waiting adoption particularly those children who traditionally have to wait longer than average.	<b>132,323</b>
<b>13</b>	<b>Tackling Troubled Families Grant</b> This grant is to fund the development of an ongoing programme to support families who have multi faceted problems including involvement in crime and anti social behaviour with children not in education, training or employment. This support is delivered through a number of work streams cross cutting across council departments and agencies. Funding of £1,260k was approved for carry forward from 2014/15 of which £749k was spent leaving £511k available for carry forward (£373k in the contingency and £138k in portfolio budgets). In addition, a further £661k was received in 2015/16 providing total funding to be carried forward of £1,172k.	<b>1,172,184</b>
<b>14</b>	<b>Step Up to Social Work</b> In December 2011 the Executive approved the release of the Step up to Social Care funding into the CYP Budget, to run the Step Up to Social Work Programme in partnership with the London Boroughs of Bexley and Lewisham. The programme is designed to attract high calibre professionals into children's social work. In 2012/13 a request was made to carry forward funding of £171k to be spent in 2013/14. Additional funding was also received in 2013/14 which meant that the full carry forward was not required in that year. A request is now being made to carry forward to 2016/17 the remainder of the unspent 2012/13 amount of £72k to continue the programme.	<b>72,159</b>
<b>15</b>	<b>Public Health Grant</b> The Public Health Grant underspent by £141k in 2014/15 and by £152k in 2015/16. The balance is requested to be carried forward to fund public health initiatives as per the terms of the grant.	<b>292,700</b>
<b>16</b>	<b>Implementing Welfare Reform Changes</b> The funds provided were to meet the cost of implementing welfare reform. There has been a time lag between implementation of the legislation and impact being seen and this is still the case. In addition, there are plans to reduce the benefit cap to a maximum of £23,000 a year if you live in London and £20,000 if you live elsewhere in the UK. This could potentially mean our caseload will double, possibly triple. For some families that we have assisted through budgeting the current benefit cap, will no longer be able to afford to meet their rent payments. This funding will need to be drawn down during the following year to help mitigate the impact and potential increase in homelessness resulting from these changes. In addition there have been delays in implementing Universal Credit nationally. Roll out for the Bromley area commenced in January 2016. The funding will therefore be needed to cover the costs of local implementation.	<b>56,640</b>
Care Services Portfolio		<b>1,726,006</b>

**EDUCATION PORTFOLIO**

<b>17</b>	<b>SEN Reform / Implementation Grants</b> Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	<b>28,476</b>
<b>18</b>	<b>SEN Reform / Implementation Grants</b> Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	<b>80,000</b>
<b>19</b>	<b>London SEND Regional Lead Grant</b> Carry Forward request already Approved in Executive Budget Monitoring Report 23rd March 2016 (para 3.3.2)	<b>15,000</b>
<b>20</b>	<b>Early Years Grant - Supporting early education of disadvantaged children</b> It has taken longer than expected to work through the IT related agreements to purchase one piece of software and we will need more time going in to 16-17 to purchase and implement further IT solutions. To support this there will be a need to use the grant funding to fund additional hours for a member of staff to steer this activity through to completion, which the conditions of the grant allow.	<b>14,800</b>
Education Portfolio		<b>138,276</b>

**ENVIRONMENT PORTFOLIO**

<b>21</b>	<b>Drainage/Lead Flood Grant</b> Bromley received grant funding from Defra in April 2015 to help support the role of Lead Local Flood Authorities (LLFAs) as statutory consultees for the planning application process. The total value of one-off funding received was £69,481.73 and was to help LLFAs prepare to undertake their new role. The funding was not ring-fenced, but the Government did expect authorities to use sufficient of the funding to build capacity within the organisation and to develop standing advice that could be provided on surface water drainage proposals in major development planning applications as efficiently and cost-effectively as possible.  A carry forward request will be submitted to the Executive to carry forward this funding to 2016/17 to ensure that the advice could be prepared. A report will be brought to the next Executive to seek approval to use the grant and will provide details of the activities that will be funded by it.	<b>69,482</b>
<b>22</b>	<b>WEEE Grant</b> Bromley was awarded a grant of £27,000 during 2015/16 for the Waste Electrical & Electronic Equipment (WEEE) collection projects from the Distributor Take Back Scheme Phase III. The Project aimed to take WEEE recycling closer to the residents, by placing attractive, sensibly sized modular collection banks at points within schools where pupils, parents and teachers can easily access them. It is hoped that this project will further increase the collection of WEEE material. The project was to run through to 2016/17 and the remaining balance of £13,090 is needed to meet the costs of the project during the next financial year. A carry forward request will be submitted to the Executive to ensure the project can continue to be run during the next financial year.	<b>13,090</b>
Environment Portfolio		<b>82,572</b>

**PUBLIC PROTECTION & SAFETY PORTFOLIO**

<b>23</b>	<b>Domestic Abuse Grant</b> Bromley received a DCLG grant in 2014/15 and 2015/16 for £86,570 relating to the prevention of domestic abuse. The grant was awarded on the understanding that the project would be delivered by Bromley Women's Aid (BWA) during 2015/16 and 2016/17. On 9 September, Executive agreed to carry forward any residual balance of the grant into 2016/17 to enable BWA to deliver the project. A sum of £60,610 has been transferred to the grant contingency and a carry forward request will be submitted to the Executive.	<b>60,610</b>
Public Protection & Safety Portfolio		<b>60,610</b>
<b>Total Expenditure to be Carried Forward</b>		<b>2,257,073</b>
<b>Total Grant Income</b>		<b>-2,257,073</b>

**Other Carry Forward Requests****CARE SERVICES PORTFOLIO**

<b>24</b>	<b>YOS Service Strategic Review</b> The service is in the process of being restructured in order to meet budget requirements and to cover the reduction in government grant for the YOS. This is balanced for 2017/18. However, the proposed establishment cannot be achieved in 2016/17 due to the additional costs of employing an Interim Head of Service, the additional half year costs of seconding a manager from the YJB and two additional unqualified posts necessary for this interim period. This amounts to £97k.	<b>97,000</b>
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**EDUCATION PORTFOLIO**

- 25 Consultancy support to improve the information held by the Council on place planning and future demand for school places** **40,000**
- The funding is to provide consultancy support to improve the information held by the Council on place planning and future demand for school places. The first part of this works has been completed with regards the detailed analysis of the school census, live births and GLA projections. However, further work is required to provide:
- data 'heat' maps that show areas of pressure in the borough
  - analysis of GP data to improve understanding of what happens to children between birth and arriving at school
  - provide analysis of new data sets for live births and the new school census
  - Map admissions information
- This information is key in informing Members about the need for school places in the context of rising demand for school places. The work of the consultant has enable us to provide information about demand down to ward and super optu area level that was previously not available. Without the funding we would be unable to meet the demand from Members for detailed information about the demand for school places.

**ENVIRONMENT PORTFOLIO**

- 26 Parking - Automated Cameras - Bus Lanes** **180,000**
- On 2nd December 2015 the Executive agreed a sum of £306k be released from the Central Contingency (set aside for Parking Enforcement ) for the purchase and installation of ten automated cameras to undertake Bus Lane enforcement and five automated cameras for enforcement at schools via a Framework run by Waltham Forest. The £180k for Bus Lanes was not spent in 2015/16 due to the longer ordering time of this specialist equipment and some technical issues such as the connection of the encoders. A carry forward request will be submitted to the Executive to meet the costs of the equipment and installation in 2016/17.
- 27 Parking - Automated Cameras - Non Bus Lanes** **126,000**
- As part of the £306k released from the Central Contingency outlined above, the supply and installation of the automated cameras around schools £126k was not spent in 2015/16 also due to the longer ordering time of this specialist equipment and technical issues. A carry forward request will be submitted to the Executive to complete this purchase and installation.

**RENEWAL & RECREATION PORTFOLIO**

- 28 Local Plan Implementation** **47,322**
- Of the £60k carried-forward from 2014/15 for the Local Plan Implementation, only £13k was 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 and to undertake any further evidence work required.
- 29 Biggin Hill Airport Noise Action Plan** **54,870**
- During 2015/16 expenditure of £63k has been incurred for specialist consultancy work and Counsel advice relating to the Noise Action Plan for Biggin Hill Airport. This was partly funded by the £40k carried forward from 2014/15. Further consultancy work is required to be undertaken on the Noise Action Plan during 2016/17 and consequently a carry forward request of the R & R Portfolio underspend will be made for £55k in order to complete this contracted consultancy work. It should be noted that the cumulative contract value for the Noise Action Plan work totals £100k.
- 30 Biggin Hill Memorial Museum** **47,400**
- A carry forward request is being submitted to seek approval to allocate a sum of £47,400 from the 2015/16 underspend in the Central Contingency to be used as match funding for the development work involved with the preparation of the first round grant application to the HLF for the Biggin Hill Memorial Museum.

**RESOURCES PORTFOLIO**

- 31 IT - BT Transition costs** **77,000**
- A request to carry forward the underspend of £77k within Information Systems & Telephony is being submitted to meet the additional transition costs of BT and to continue to fund a transition manager post as approved by Executive on 17 September 2015.
- 32 IT upgrade at Anerley Business Centre** **30,000**
- On 14 October 2015, Executive approved funding of £30k payable to the Crystal Palace Community Development Trust, as a contribution towards the upgrade of IT in Anerley Business Centre. The work is planned to go ahead during 2016/17 and it is requested that the amount is carried forward to 2016/17 in order to pass the contribution to the Trust when the works commence.
- 33 Transparency Agenda** **14,000**
- A carry forward of £14k is requested from underspends on the Strategic Property budget to fund a post which is required to continue the work of updating and verification of property ownership records in accordance with the Transparency Agenda during 2016/17.
- 34 Merit Rewards (in contingency)** **89,170**
- As part of introduction of Localised Pay, Members agreed a merited reward for exceptional performers, and a provision of £200k was included in the Central Contingency. This was to reward the performance of employees during 2014/15. £111k was awarded in 2015/16 and a balance of £89k remains to be paid out during 2016/17. This amount is therefore requested to be carried forward to 2016/17.

<b>35 Residential Property Acquisitions (SPV) - Legal, Professional and Accounting Advice</b>	<b>291,000</b>
<p>On 2nd December 2015, Executive approved funding of up to £50k for specialist legal advice with regard to a proposal to acquire housing stock as temporary accommodation for homeless families. Additional funding of £200k was also agreed to meet specialist legal and actuarial fees with regard to the potential 'gifting' of a significant asset to the Council's pension fund. £49k was set aside in departmental revenue budgets to specifically meet the cost of specialist accounting advice and only £8k has been required to date. Due to the nature and timing of these proposals it is requested that the remaining funds be carried forward into 2016/17 to meet the specialist advice that will be required to finalise arrangements.</p>	
<b>36 Civic Centre Development Strategy (in contingency)</b>	<b>257,500</b>
<p>On 17<sup>th</sup> September 2015 Executive agreed to set aside funding of £57.5k for additional consultancy services for the development of the Civic Centre site from the Central Contingency. In addition to this funding, on 18 May 2016, Executive agreed to allocate a sum of £200k from the general underspends in 2015/16 to meet the cost of document management for the Civic Centre. The Executive is requested to agree the carry forward of £257.5k for the Civic Centre development.</p>	
<b>37 Contracts Register/Summaries Database</b>	<b>50,000</b>
<p>The proposal is to build a database that holds all the information currently held on the Councils Contract Register along with additional information such as waivers approved, gate reports, audit issues, risks etc. The new system will RAG status contracts automatically when the contracts are due to end (currently officers do this manually which takes up quite a lot of officer time) and the database will link into the Councils finance system for the latest approved budget and projected expenditure so avoid many of the manual processes which are currently undertaken. Some of this work can be undertaken within existing resources but a one off sum of £50k is required to fully develop the database and automate the manual processes. If agreed it is anticipated this work will be completed within the next 6 months</p>	
Total Other	<u>1,401,262</u>
<b>Net Total Requiring Approval</b>	<b>1,401,262</b>
<b>TOTAL CARRY FORWARD TO 2016/17</b>	<u><u>1,702,262</u></u>

**EARMARKED GENERAL FUND BALANCES - 2015/16**

Description	Balance at 01/04/2015	Expend- iture	Income		Balance at 31/03/2016
			Contribs.	Interest	
	£'000	£'000	£'000	£'000	£'000
<b>EARMARKED BALANCES</b>					
LPSA Reward Grant	231	110			121
Technology Fund	1,825			28	1,853
LAA Pump Priming Grant	750				750
Town Centre Improvement Fund (LABGI)	66	11			55
Transformation Fund	4,463	1,450			3,013
Investment to Community	624	46			578
R & R Redundancy Reserve	116				116
Works to Property	100				100
Building Control Charging Account	131	131	131		131
Government Grants	2,373	1,554	1,438		2,257
Invest to Save	13,343	1,640	1,678		13,381
Bromley Welcare	29				29
One off Member Initiatives	1,039	223	750		1,566
Infrastructure Investment Fund	2,000				2,000
Commissioning Authority Programme	86	31			55
Health & Social Care 'Promise Programme'	5,953				5,953
Housing Strategy Account	14	14	25		25
Community Right to Bid & Challenge	46				46
Glades Refurbishment	97	90			7
Investment Fund	33,670	34,442	4,541		3,769
Winter Pressures	1,542				1,542
Refurbishment of War Memorials	16	3			13
Key Health & Social Care Initiatives	1,700				1,700
Integration of Health & Social Care Initiatives	1,709	95			1,614
Collection Fund Surplus Set Aside	2,964	2,964			0
Healthy Bromley Fund	3,815				3,815
Glaxo Wellcome Endowment	179	7		3	175
Cheyne Woods and Cyphers Gate	187	14			173
Public Halls Fund	7				7
Future Repairs of 145, High Street	7		12		19
Parallel Fund	2,866	57			2,809
Growth Fund	10,000	41	12,500		22,459
Health & Social Care Integrated Commissioning Fund	4,550				4,550
Bromley Youth Music Trust	77	77			0
Financial Planning & Risk Reserve	5,000				5,000
Bromley Welfare Fund	970				970
Payment in Lieu Reserve for Temporary Accommodation	23		28		51
Business Rates Risk Reserve	1,200		3,000		4,200
<b>New Reserves Set Up in 2015/16</b>					
One Off Expenditure in 2016/17 (inc. TFM Contract)			461		461
Crystal Palace Park Improvements		2	240		238
Various Joint Schemes and Pump Priming Investments			3,100		3,100
<b>Subject to Approval by Executive 15th June 2016</b>					
Growth Fund			7,024		7,024
<b>Sub-Total</b>	<b>103,768</b>	<b>43,002</b>	<b>34,928</b>	<b>31</b>	<b>95,725</b>
Schools	4,544	2,555	2,028		4,017
Insurance Fund	2,888	716	854	73	3,099
<b>TOTAL</b>	<b>111,200</b>	<b>46,273</b>	<b>37,810</b>	<b>104</b>	<b>102,841</b>

**Note**

Members should note that the balance at 31/3/2016 represents the "cash" balance and in some cases the monies shown will already be committed for future years on various schemes.

**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:

<b>31 March 2015 £000</b>	<b>Service</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers to/(from) Capital £000</b>	<b>Actual as at 31 Mar 2016 £000</b>
<b><u>Revenue</u></b>					<b><u>Revenue</u></b>
680	Highway Improvement Works		11	(295)	374
0	CCTV				-
45	Road Safety Schemes				45
121	Local Economy & Town Centres	82	77		126
53	Parking	23			76
847	Healthcare Services	356	35		1,168
11	Community Facilities (to be transferred to capital)		1		10
10	Other	300			310
<u>1,767</u>		<u>761</u>	<u>124</u>	<u>(295)</u>	<u>2,109</u>
<b><u>Capital</u></b>					<b><u>Capital</u></b>
0	Local Economy & Town Centres				-
1,591	Education	1,210			2,801
4,856	Housing	934	609		5,181
0	Highway Improvement Works		214	295	81
0	Community Facilities				-
<u>6,447</u>		<u>2,144</u>	<u>823</u>	<u>295</u>	<u>8,063</u>
<b><u>8,214</u></b>		<b><u>2,905</u></b>	<b><u>947</u></b>	<b><u>0</u></b>	<b><u>10,172</u></b>

## SCHOOLS' DELEGATED BUDGETS

Consistent Financial Report (CFR) is a framework of income and expenditure items and balances, which provides schools with a benchmark facility to allow them to promote self-management and value for money. A CFR return has been produced by all schools maintained by the LA as at 31 March 2016.

The CFR framework details five balances, which provide an overall picture of the resources available to the school from one year to the next, and give information about any carried forward balances. The balances are categorised as follows:

- B01: Committed Revenue Balances
- B02: Uncommitted Revenue Balances
- B03: Devolved Formula Capital Balances
- B05: Other Capital Balances
- B06: Community Focussed Extended Schools Balances

N.B. B04 Other Standards Fund Capital Balances has now been removed as Standards Funds no longer exist.

The following table shows schools' reserves as at 31 March 2016, the end of the 2015/16 financial year. The table below shows an overall decrease in balances of £527k (decrease from £4,544k to £4,017k. This decrease can be seen to be across both revenue and capital balances and across each of the school sectors as detailed below.

	Nos	Accrued Balances at 1 April 2015	Under/ Over (-) Expenditure in 2015/16	Accrued Balances at 31 March 2016	Analysis of Balances as at 31 March 2016					
					Committed Revenue	Uncommitted Revenue	Devolved Formula Capital	Other Capital	Community Focussed Extended Services	Total Balances
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Primary Schools	19	3,492	-727	2,765	254	2,404	28	69	10	2,765
Secondary Schools	1	451	10	461	0	461	0	0	0	461
Special Schools	3	601	190	791	86	588	0	42	75	791
<b>Total</b>	<b>23</b>	<b>4,544</b>	<b>-527</b>	<b>4,017</b>	<b>340</b>	<b>3,453</b>	<b>28</b>	<b>111</b>	<b>85</b>	<b>4,017</b>

## THE SCHOOLS BUDGET

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided for 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 year's Schools Budget.

There is a total in year overspend of £1,464k on DSG funded services as outlined below. This on top of the £4,739k budget use of the 2014/15 carry forward has reduced the carry forward from £9,886k to £3,683k in 2015/16. As agreed by the Portfolio Holder for Education following the meeting of the Education Sub-Committee on 6th January 2015, £3.5m was distributed as a one-off payment to schools in 2015/16, £3m will be set aside for the refurbishment of Beacon House (that is now partly used), and £2m used to contain growth in 2015/16 and 2016/17.

An analysis of the main variations is provided below:

	<b>£000 Outturn Variance</b>
Beacon House Refurbishment	1,499
Bulge Classes (inc Modular classroom rentals)	1,453
SEN - Placements	523
SEN - Transport	Cr 125
SEN - Other Variations	Cr 315
Free Early Education	Cr 1,256
High Needs Top Up (Excluding Special Schools)	Cr 642
Special Schools / Units	729
MPAA,CLA etc licenses	70
Primary School Nursery Funding	Cr 180
DSG Allocation Adjustments	Cr 277
Other Variations	Cr 15
<b>Final Outturn</b>	<b>1,464</b>

The most significant variations above are:-

- a) The £1.499k costs for Beacon House relate to the refurbishment of the property following its purchase last year. The costs are expected to continue into 2016/17. A budget was approved in 2015/16 for these costs. Of the budget set aside for this project, there still £1.550k remaining.
- b) There is 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 £1.453m 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. This includes a £121k overspend relating to the rental of temporary modular classrooms for bulge classes.
- c) SEN placements and support costs are overspent by a total of £523k, 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.
- d) The DSG funded element of SEN Transport is projected to underspend by £125k. 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.



## INVEST TO SAVE FUND

This earmarked reserve was set up with a sum of £14m, as approved by Council in October 2011, to enable "loans" to be provided for Invest to Save initiatives. Advances are to be repaid within a "reasonable" period with schemes providing on-going revenue savings to contribute towards reducing the budget gap. In February 2013, Executive agreed that the one-off Council Tax Freeze grant in 2012/13 be added to the Fund, bringing the total contributions up to £17,304k.

Five schemes have been approved to date and, as at 31st March 2016, the actual balance on the Fund stood at £13,381k as detailed in the table below:

Scheme	Approval date (Council/Exec)	Contrib- utions £'000	To 31st March 2016				
			Approved "loans" £'000	Advanced from Fund £'000	Repaid to Fund £'000	Net "loan" 31/03/16 £'000	
<b>Approved funding</b>							
Initial Funding allocation	Oct-11	14,000					
Council Tax Freeze grant	Feb-13	3,304					
<b>Approved schemes</b>							
Green waste/textile collection service	Dec-11		220	220	220	0	
Replace street lighting columns	Nov-12		8507	8435	4791	3644	
Bellegrove - refurbishment	Jan-13		400	508	508	0	
Stamented pupils - travel training	Apr 13 & Jul 14		460	217	197	20	
Transfer CSC to Liberata	Sep-13		330	322	63	259	
			<b>17,304</b>	<b>9,917</b>	<b>9,702</b>	<b>5,779</b>	<b>3,923</b>
Actual Fund balance 31/03/16						13,381	