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**Decision Maker:** Executive

**Date:** 20<sup>th</sup> July 2016

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** BUDGET MONITORING 2016/17

**Contact Officer:** Tracey Pearson, Chief Accountant  
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**Chief Officer:** Director of Finance

**Ward:** Borough Wide

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1. Reason for report

- 1.1 This report provides the first budget monitoring position for 2016/17 based on expenditure and activity levels up to the end of May 2016. The report also highlights any significant variations which will impact on future years as well as any early warnings that could impact on the final year end position.
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2. RECOMMENDATION(S)

2.1 Executive are requested to:

- (a) consider the latest financial position;
- (b) note that a projected net overspend on services of £4,105k is forecast based on information as at May 2016;
- (c) consider the comments from the Education, Care and Health Services Department, the Director of Education and the Executive Director of Environment and Community Services as detailed in sections 3.2 and 3.3;
- (d) note the carry forwards being requested for drawdown as detailed in section 3.5;
- (e) note a projected reduction to the General Fund balance of £5.8m as detailed in section 3.6;
- (f) note the full year costs pressures of £4.3m as detailed in section 3.7;
- (g) identify any issues that should be referred to individual Portfolio Holders for further action.

### Corporate Policy

1. Policy Status: Existing policy.
  2. BBB Priority: Excellent Council.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: Recurring cost.
  3. Budget head/performance centre: Council wide
  4. Total current budget for this head: £209.7m
  5. Source of funding: See Appendix 1 for overall funding of Council's budget
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### Staff

1. Number of staff (current and additional): 2,555 (per 2016/17 Budget), which includes 911 for delegated budgets to schools.
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: Statutory requirement. The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 2015; the Local Government Act 2000; and the Local Government Act 2002.
  2. Call-in: Call-in is applicable
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2016/17 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
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### Ward Councillor Views

- 3 Have Ward Councillors been asked for comments? N/A.
- 4 Summary of Ward Councillors comments: Council wide

### 3. COMMENTARY

#### 3.1 Summary of Projected Variations

3.1.1 The Resources Portfolio Plan included the target that each service department will spend within its own budget. Current projections show an overall net overspend of £4,105k on portfolio budgets and no variation on central items.

3.1.2 A summary of the 2016/17 budget and the projected outturn is shown in the table below:

| <b>Portfolio</b>                                    | <b>2016/17<br/>Original<br/>Budget<br/>£'000</b> | <b>2016/17<br/>Latest<br/>Budget<br/>£'000</b> | <b>2016/17<br/>Projected<br/>Outturn<br/>£'000</b> | <b>2016/17<br/>Variation<br/>£'000</b> |
|---|--|--|--|--|
| Care Services                                       | 92,548   | 92,301   | 95,634   | 3,333                                  |
| Education   | 5,245  | 5,265  | 5,949  | 684                                    |
| Environment   | 31,203   | 31,702   | 31,702   | 0                                      |
| Public Protection & Safety                          | 1,948  | 1,948  | 1,948  | 0                                      |
| Renewal & Recreation                                | 8,953  | 9,325  | 9,525  | 200                                    |
| Resources   | 39,399   | 40,281   | 40,169   | Cr 112                                 |
| <b>Total Controllable Budgets</b>                   | <b>179,296</b>                                   | <b>180,822</b>                                 | <b>184,927</b>                                     | <b>4,105</b>                           |
| Capital Charges and Insurance                       | 11,521   | 11,521   | 11,521   | 0                                      |
| Non General Fund Recharges                          | Cr 772   | Cr 772   | Cr 772   | 0                                      |
| <b>Total Portfolio Budgets</b>                      | <b>190,045</b>                                   | <b>191,571</b>                                 | <b>195,676</b>                                     | <b>4,105</b>                           |
| Contingency Provision                               | 15,629   | 16,028   | 16,028   | 0                                      |
| Interest on General Fund Balances                   | Cr 3,491   | Cr 3,491                                       | Cr 3,491   | 0                                      |
| Other Central Items                                 | 5,563  | 5,563  | 5,563  | 0                                      |
| General Government Grants & Retained Business Rates | Cr 67,151  | Cr 67,374                                      | Cr 67,374  | 0                                      |
| Collection Fund Surplus                             | Cr 4,912   | Cr 4,912                                       | Cr 4,912   | 0                                      |
| <b>Total Central Items</b>                          | <b>Cr 54,362</b>                                 | <b>Cr 54,186</b>                               | <b>Cr 54,186</b>                                   | <b>0</b>                               |
| <b>Total Variation</b>                              | <b>135,683</b>                                   | <b>137,385</b>                                 | <b>141,490</b>                                     | <b>4,105</b>                           |

3.1.3 A detailed breakdown of the latest approved budgets and projected outturn for each Portfolio, together with an analysis of variations, is shown in Appendix 2.

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

##### Care Services Portfolio

3.2.1 The Care Services Portfolio is currently estimated to overspend by £3,333k in 2016/17 with a full year effect of £4,241k.

3.2.2 There continues to be pressures in Adult Social Care mainly due to placements, domiciliary care and direct payments. Management action is addressing savings targets although these continue to be a challenge in some areas where demand for services is increasing.

3.2.3 Domiciliary Care Packages are continuing to be reviewed. High levels of scrutiny are in place in all cases where there is a request for an increase.

3.2.4 Additional posts are being recruited to in the Reablement Service. Once these are in place the service will have the capacity to manage around 50/55 Service Users per month which should result in some efficiencies working their way through the system.

- 3.2.5 Commissioning activity continues to secure value for money through contract negotiations making a significant contribution to the savings targets.
- 3.2.6 Children's social care continues to see pressures in placements, fostering and care proceedings costs with an increase of children coming through the system.
- 3.2.7 The department will be closely monitoring expenditure and the figures will be updated as the year progresses.

#### **Comments from the Director of Education**

- 3.2.8 The Education Portfolio is currently estimated to overspend by £684k in 2016/17.
- 3.2.9 The consultation on the national funding formula sets out the new landscape where there will be 4 discreet funding blocks: the schools block, central block, high needs block and early years block. We haven't yet received any financial modelling but anticipate a reduction in high needs funding which we expect to add pressure to budgets as well as risks around potential statutory expenditure on high needs placements that might exceed the funding envelope. The SEND team is reviewing the budget in order to identify where savings can be made in the short, medium term and long term. The DfE is working with education colleagues to explore what the LA responsibilities will be post full academisation and are expecting to identify a per pupil amount that will make up the central funding block.
- 3.2.10 The Reduction in the YOS grant means that we anticipate an overspend of circa. £21k but we are looking at how this might be met through in year savings through reducing the number of posts and holding vacancies.
- 3.2.11 Action has been taken to more closely align decisions around transport costs and school placements with the ambition that SEN caseworkers are trained to oversee both decision making processes. In addition, there is a longer term strategic plan to grow in borough provision and so contain transport costs. The travel training also continues to have successful outcomes. It must also be borne in mind that new routes, commissioned after the start of the financial year, are projecting an overspend that may not actually be realised as all routes will be re-organised in July to take account of the movement in the cohort.

#### **3.3 Comments from the Executive Director of Environment and Community Services (Renewal and Recreation Portfolio)**

- 3.3.1 Overall, the controllable budget for the Renewal and Recreation Portfolio is projected to be overspent by £200k.
- 3.3.2 In January 2016, officers reported that the savings of £250k relating to Community Libraries built into the budget for 2016/17 are unlikely to be achieved in this financial year as a result of the business model submitted by the tenderer and because of the timetable and potential lead in time requested by the tenderer for contract mobilisation. The actual full year effect savings will be dependent on the final tenders submitted and this will be reported to members in due course.
- 3.3.3 The overspend within libraries is partly offset by a projected underspend of Cr £50k within Building Control due to vacancies.

### 3.4 Central Contingency Sum

- 3.4.1 Details of the allocations from and variations in the 2016/17 Central Contingency are included in Appendix 3.
- 3.4.2 A prudent approach was adopted in considering the 2016/17 Central Contingency sum to reflect any inherent risks, the potential impact of any new burdens, population increases or actions taken by other public bodies which could affect the Council. If the monies are not required then the general policy has been to use these for growth, investment and economic development to generate additional income and provide a more sustainable financial position.

### 3.5 Carry Forwards from 2015/16 to 2016/17

- 3.5.1 On 15<sup>th</sup> June 2016 Executive approved the carry forward of 2015/16 underspends totalling £1,401k (net) subject to the funding being allocated to the Central Contingency to be drawn down on the approval of the relevant Portfolio Holder. In addition, £301k relating to the Council's repairs and maintenance budgets was carried forward under delegated authority.
- 3.5.2 The carry forwards being requested to be drawn down this cycle are summarised in the table below and details will be reported to the relevant PDS Committee prior to this meeting. The figures contained in this report assume that these requests will be agreed:

|   | £'000s       |
|---|--------------|
| Renewal & Recreation  | 373          |
| Public Protection & Safety  | 61           |
| Resources   | 801          |
| Environment   | 388          |
| Care Services   | 862          |
| <b>Total Expenditure</b>  | <b>2,485</b> |
| Government Grant Income   | Cr 1,478     |
| <b>Total net carry forwards requested for drawdown this cycle</b> | <b>1,007</b> |

### 3.6 General Fund Balances

- 3.6.1 The level of general reserves is currently projected to reduce by £5.8m to £14.2m at 31<sup>st</sup> March 2017 as detailed below:

|   | 2016/17<br>Projected<br>Outturn £'000 |
|---|---------------------------------------|
| <b>General Fund Balance as at 1st April 2016</b>      | <b>Cr 20,000</b>                      |
| Net Variations on Services & Central Items (para 3.1) | 4,105                                 |
| Adjustments to Balances:                              |                                       |
| Carry Forwards (funded from underspends in 2015/16)   | 1,702                                 |
| <b>General Fund Balance as at 31st March 2016</b>     | <b>Cr 14,193</b>                      |

### 3.7 Impact on Future Years

- 3.7.1 The report identifies expenditure pressures which could have an impact on future years. The main areas to be considered at this stage are summarised in the following table:

|  | 2016/17<br>Budget<br>£'000 | 2017/18<br>Impact<br>£'000 |
|--|----------------------------|----------------------------|
| <b>Care Services Portfolio</b>   |                            |                            |
| Assessment & Care Management - Care Placements   | 18,373                     | 748                        |
| Learning Disabilities - Residential, Supported Living & Shared Lives                                     | 26,843                     | 814                        |
| Children's Social Care   | 26,474                     | 2,280                      |
| Further 2016/17 Efficiency Savings *   | Cr 500                     | 450                        |
|  |                            | <b>4,292</b>               |
| <b>TOTAL</b>   |                            | <b>4,292</b>               |
| <i>* relates to efficiency savings in 2016/17 that have not yet been fully identified or implemented</i> |                            |                            |

- 3.7.2 Given the significant financial savings that the Council will need to make over the next four years, it is important that all future cost pressures are contained and that savings are identified early to mitigate these pressures.
- 3.7.3 Further details, including action to be taken to contain future cost pressures, are included in Appendix 4.

### 3.8 Interest on Balances

- 3.8.1 A rate of 1% was assumed in the 2016/17 budget for interest on new investments. There have been no improvements to counterparty credit ratings, which means that the restrictions to investment opportunities that followed ratings downgrades in recent years have still been in place. However, increases in the limits for the two part-nationalised banks (Lloyds and RBS) approved by the Council in October 2014, together with higher rates from longer-term deals placed with other local authorities, higher average balances than anticipated and the strong performance of the CCLA Property Fund resulted in a considerable improvement in interest earnings in 2015/16. As a result, an additional £1,250k was included in the 2016/17 budget to reflect the increased interest earnings being achieved. This was partly offset by £500k reduced income to reflect a reduction in balances as a result of further property acquisitions providing a net increase of £750k in 2016/17 (£3,491k 2016/17 budget compared to £2,741k in 2015/16).
- 3.8.2 Details of the Treasury Management Strategy were reported to Council on 22<sup>nd</sup> February 2016 and the Treasury Management – Annual Report 2015/16 is being reported to the Executive and Resources PDS Committee on 7th July 2016.

### 3.9 The Schools Budget

- 3.9.1 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 years Schools Budget.

- 3.9.2 There is a total projected underspend of £1.3m on DSG funded services, which will be added to the £3.7m carried forward from 2015/16. Along with £3m for the Beacon House refurbishment, £2.5m has been agreed for growth in 2016/17 to balance the budget so the brought forward balance has now been fully allocated. Details of the 2016/17 monitoring of the School's Budget will be reported to the Education Portfolio Holder.

### **3.10 Investment Fund and Growth Fund**

- 3.10.1 Full details of the current position on the Investment Fund and the Growth Fund are included in the Capital Programme Monitoring report elsewhere on the agenda. The uncommitted balances currently stand at £17.8m on the Investment Fund and £19.3m on the Growth Fund.

## **4. POLICY IMPLICATIONS**

- 4.1 The "Building a Better Bromley" objective of being an Excellent Council refers to the Council's intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.
- 4.2 The "2016/17 Council Tax" report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2016/17 to minimise the risk of compounding financial pressures in future years.
- 4.3 Chief Officer's comments are included in sections 3.2 and 3.3.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 These are contained within the body of the report with additional information provided in the appendices.

|   |  |
|---|--|
| <b>Non-Applicable Sections:</b>                       | Legal, Personnel   |
| Background Documents:<br>(Access via Contact Officer) | Provisional final Accounts - Executive 15 <sup>th</sup> June 2016;<br>2016/17 Council Tax – Executive 10 <sup>th</sup> February 2016;<br>Draft 2016/17 Budget and Update on Council's<br>Financial strategy 2017/18 to 2019/20 - Executive 13 <sup>th</sup> January 2016;<br>Capital Programme Monitoring Report – elsewhere on agenda;<br>Treasury Management Annual Report 2015/16 – Executive & Resources PDS 7 <sup>th</sup> July 2016;<br>Financial Management Budget Monitoring files across all Portfolios. |

## GENERAL FUND - PROJECTED OUTTURN FOR 2016/17

| Portfolio  | 2016/17<br>Original<br>Budget<br>£'000 | Budget<br>Variations<br>allocated in<br>year #<br>£'000 | 2016/17<br>Latest<br>Approved<br>Budget<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 |
|--|--|---|--|--|--------------------|
| Care Services  | 92,548                                 | Cr 247  | 92,301   | 95,634                                   | 3,333              |
| Education (incl. Schools' Budget)  | 5,245                                  | 20  | 5,265  | 5,949                                    | 684                |
| Environment  | 31,203                                 | 499   | 31,702   | 31,702                                   | 0                  |
| Public Protection & Safety   | 1,948                                  | 0   | 1,948  | 1,948                                    | 0                  |
| Renewal and Recreation   | 8,953                                  | 372   | 9,325  | 9,525                                    | 200                |
| Resources  | 39,399                                 | 882   | 40,281   | 40,169                                   | Cr 112             |
| <b>Total Controllable Budgets</b>  | <b>179,296</b>                         | <b>1,526</b>  | <b>180,822</b>                                   | <b>184,927</b>                           | <b>4,105</b>       |
| Capital and Insurances (see note 2)                                      | 11,521                                 | 0   | 11,521   | 11,521                                   | 0                  |
| Non General Fund Recharges   | Cr 772                                 | 0   | Cr 772   | Cr 772                                   | 0                  |
| <b>Total Portfolios (see note 1)</b>                                     | <b>190,045</b>                         | <b>1,526</b>  | <b>191,571</b>                                   | <b>195,676</b>                           | <b>4,105</b>       |
| <b>Central Items:</b>  |  |   |  |  |                    |
| <b>Interest on General Fund Balances</b>                                 | Cr 3,491                               | 0   | Cr 3,491   | Cr 3,491                                 | 0                  |
| <b>Contingency Provision (see Appendix 3)</b>                            | 15,629                                 | 399   | 16,028   | 16,028                                   | 0                  |
| <b>Other central items</b>   |  |   |  |  |                    |
| Reversal of Net Capital Charges  | Cr 10,203                              | 0   | Cr 10,203  | Cr 10,203                                | 0                  |
| Contribution to Investment and Other Funds                               | 9,470                                  | 0   | 9,470  | 9,470                                    | 0                  |
| Set Aside Prior Year Collection Fund Surplus                             | 4,912                                  | 0   | 4,912  | 4,912                                    | 0                  |
| Levies   | 1,384                                  | 0   | 1,384  | 1,384                                    | 0                  |
|  | 5,563                                  | 0   | 5,563  | 5,563                                    | 0                  |
| <b>Bromley's Requirement before balances</b>                             | <b>207,746</b>                         | <b>1,925</b>  | <b>209,671</b>                                   | <b>213,776</b>                           | <b>4,105</b>       |
| Carry Forwards from 2015/16 (see note 3)                                 | 0                                      | Cr 1,401  | Cr 1,401   | 0  | 1,401              |
| Carry Forward from 2015/16 Delegated Authority - R&M                     | 0                                      | Cr 301  | Cr 301   | 0  | 301                |
| <b>Adjustment to Balances</b>  | 0                                      | 0   | 0  | Cr 5,807                                 | Cr 5,807           |
|  | 207,746                                | 223   | 207,969  | 207,969                                  | 0                  |
| Revenue Support Grant  | Cr 21,293                              | 0   | Cr 21,293  | Cr 21,293                                | 0                  |
| Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants) | Cr 35,387                              | 0   | Cr 35,387  | Cr 35,387                                | 0                  |
| New Homes Bonus  | Cr 7,402                               | 0   | Cr 7,402   | Cr 7,402                                 | 0                  |
| New Homes Bonus Top Slice  | Cr 986                                 | Cr 223  | Cr 1,209   | Cr 1,209                                 | 0                  |
| Transition Grant   | Cr 2,068                               | 0   | Cr 2,068   | Cr 2,068                                 | 0                  |
| Local Services Support Grant   | Cr 15                                  | 0   | Cr 15  | Cr 15                                    | 0                  |
| Collection Fund Surplus  | Cr 4,912                               | 0   | Cr 4,912   | Cr 4,912                                 | 0                  |
| <b>Bromley's Requirement</b>   | <b>135,683</b>                         | <b>0</b>  | <b>135,683</b>                                   | <b>135,683</b>                           | <b>0</b>           |
| GLA Precept  | 34,957                                 | 0   | 34,957   | 34,957                                   | 0                  |
| <b>Council Tax Requirement</b>   | <b>170,640</b>                         | <b>0</b>  | <b>170,640</b>                                   | <b>170,640</b>                           | <b>0</b>           |

|  |              |
|--|--------------|
| # Budget Variations allocated to portfolios in year consists of:       | £'000        |
| 1) Carry forwards from 2015/16 (see note 3)                            | 1,702        |
| 2) Allocations from the central contingency provision (see Appendix 3) | Cr 176       |
|  | <u>1,526</u> |

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

|                                    | 2016/17<br>Original<br>Budget<br>£'000 | Budget<br>Variations<br>allocated in<br>year #<br>£'000 | 2016/17<br>Latest<br>Approved<br>Budget<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 |
|------------------------------------|--|---|--|--|--------------------|
| Education Care & Health Services   | 116,280                                | Cr 227  | 116,053  | 120,159                                  | 4,106              |
| Environmental & Community Services | 50,044                                 | 588   | 50,632   | 50,882                                   | 250                |
| Chief Executive's Department       | 23,721                                 | 1,165   | 24,886   | 24,635                                   | Cr 251             |
|                                    | <u>190,045</u>                         | <u>1,526</u>  | <u>191,571</u>                                   | <u>195,676</u>                           | <u>4,105</u>       |

2) **Reversal of Net Capital Charges**

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

3) **Carry Forwards from 2015/16**

Carry forwards from 2015/16 into 2016/17 totalling £1,702k 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 2015/16" report.

## Care Services Portfolio Budget Monitoring Summary

| 2015/16<br>Actuals<br><br>£'000 | Division<br>Service Areas                          | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br><br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br><br>£'000 |
|---------------------------------|--|--|--|--|------------------------|-------|--|----------------------------------|
|                                 | EDUCATION CARE & HEALTH SERVICES DEPARTMENT        |  |  |  |                        |       |  |                                  |
|                                 | Adult Social Care                                  |  |  |  |                        |       |  |                                  |
| 22,665                          | Assessment and Care Management                     | 20,334                                 | 20,837                                 | 21,290                                   | 453                    | 1     | 0                                      | 748                              |
| 0                               | Savings to be Identified                           | Cr 250                                 | 250                                    | 0  | 250                    |       | 0                                      | 250                              |
| 2,516                           | Direct Services                                    | 1,241                                  | 1,491                                  | 1,491                                    | 0                      | 2     | 0                                      | 0                                |
| 3,657                           | Learning Disabilities Care Management              | 3,842                                  | 3,842                                  | 3,899                                    | 57                     |       | 0                                      | 21                               |
| 838                             | Learning Disabilities Day and Short Breaks Service | 0                                      | 0                                      | 0  | 0                      |       | 0                                      | 0                                |
| 745                             | Learning Disabilities Housing & Support            | 0                                      | 0                                      | 0  | 0                      |       | 0                                      | 0                                |
| 30,421                          |  | 25,417                                 | 25,920                                 | 26,680                                   | 760                    |       | 0                                      | 1,019                            |
|                                 | Operational Housing                                |  |  |  |                        |       |  |                                  |
| Cr 1                            | Enabling Activities                                | Cr 1                                   | Cr 1                                   | Cr 1                                     | 0                      | 3     | 0                                      | 0                                |
| Cr 2,350                        | Housing Benefits                                   | Cr 1,907                               | Cr 1,907                               | Cr 1,907                                 | 0                      |       | 0                                      | 0                                |
| 6,364                           | Housing Needs                                      | 6,354                                  | 6,354                                  | 6,884                                    | 530                    |       | 0                                      | 796                              |
|                                 | Housing funds held in contingency                  | 0                                      | 0                                      | Cr 530                                   | Cr 530                 |       |  | Cr 796                           |
| 4,013                           |  | 4,446                                  | 4,446                                  | 4,446                                    | 0                      |       | 0                                      | 0                                |
|                                 | Children's Social Care                             |  |  |  |                        |       |  |                                  |
| 16,747                          | Care and Resources                                 | 15,978                                 | 16,478                                 | 17,457                                   | 979                    | 4     | 0                                      | 1,567                            |
|                                 | Budget Saving not Achievable                       | 0                                      | Cr 500                                 | 0  | 500                    |       | 0                                      | 500                              |
| 1,853                           | Safeguarding and Quality Assurance                 | 1,494                                  | 1,494                                  | 1,494                                    | 0                      |       | 0                                      | 0                                |
| 5,682                           | Safeguarding and Care Planning                     | 5,662                                  | 5,662                                  | 5,909                                    | 247                    |       | 0                                      | 213                              |
| 1,113                           | Early Intervention and Family Support              | 998                                    | 998                                    | 998                                      | 0                      |       | 0                                      | 0                                |
| 2,343                           | Children's Disability Service                      | 2,342                                  | 2,342                                  | 2,342                                    | 0                      |       | 0                                      | 0                                |
| 27,738                          |  | 26,474                                 | 26,474                                 | 28,200                                   | 1,726                  |       | 0                                      | 2,280                            |
|                                 | Commissioning                                      |  |  |  |                        |       |  |                                  |
| 3,899                           | Commissioning                                      |  |  |  |                        | 5     |  |                                  |
| Cr 1,301                        | - Net Expenditure                                  | 4,134                                  | 4,334                                  | 4,334                                    | 0                      |       | 0                                      | 0                                |
| 0                               | - Recharge to Better Care Fund                     | Cr 1,434                               | Cr 1,434                               | Cr 1,434                                 | 0                      |       | 0                                      | 0                                |
|                                 | - Savings to be Identified                         | 0                                      | Cr 200                                 | 0  | 200                    |       | 0                                      | 200                              |
|                                 | Information & Early Intervention                   |  |  |  |                        |       |  |                                  |
| 1,187                           | - Net Expenditure                                  | 1,163                                  | 1,163                                  | 1,163                                    | 0                      | 6     | 0                                      | 0                                |
| Cr 1,187                        | - Recharge to Better Care Fund                     | Cr 1,163                               | Cr 1,163                               | Cr 1,163                                 | 0                      |       | 0                                      | 0                                |
| 23,740                          | Learning Disabilities                              | 26,843                                 | 26,843                                 | 27,490                                   | 647                    |       | 0                                      | 814                              |
| 6,092                           | Mental Health Services                             | 5,947                                  | 5,947                                  | 5,947                                    | 0                      | 7     | 0                                      | 0                                |
| 1,413                           | Supporting People                                  | 1,051                                  | 1,051                                  | 1,051                                    | 0                      | 8     | 0                                      | Cr 72                            |
|                                 | Better Care Fund                                   |  |  |  |                        |       |  |                                  |
| 18,692                          | - Expenditure                                      | 19,027                                 | 19,408                                 | 19,408                                   | 0                      |       | 0                                      | 0                                |
| Cr 18,851                       | - Income   | Cr 19,180                              | Cr 20,311                              | Cr 20,311                                | 0                      |       | 0                                      | 0                                |
| Cr 312                          | - Variation on Protection of Social Care           | 0                                      | 0                                      | 0  | 0                      |       | 0                                      | 0                                |
|                                 | NHS Support for Social Care                        |  |  |  |                        |       |  |                                  |
| 266                             | - Expenditure                                      | 0                                      | 348                                    | 348                                      | 0                      |       | 0                                      | 0                                |
| Cr 266                          | - Income   | 0                                      | Cr 348                                 | Cr 348                                   | 0                      |       | 0                                      | 0                                |
| 33,372                          |  | 36,388                                 | 35,638                                 | 36,485                                   | 847                    |       | 0                                      | 942                              |
|                                 | Public Health                                      |  |  |  |                        |       |  |                                  |
| 13,578                          | Public Health                                      | 15,106                                 | 15,106                                 | 15,106                                   | 0                      |       | 0                                      | 0                                |
| Cr 13,936                       | Public Health - Grant Income                       | Cr 15,478                              | Cr 15,478                              | Cr 15,478                                | 0                      |       | 0                                      | 0                                |
| Cr 358                          |  | Cr 372                                 | Cr 372                                 | Cr 372                                   | 0                      |       | 0                                      | 0                                |
| Cr 1,079                        | Savings achieved early in 2015/16 for 2016/17      | 0                                      | 0                                      | 0  | 0                      |       | 0                                      | 0                                |
| 94,107                          | TOTAL CONTROLLABLE ECHS DEPT                       | 92,353                                 | 92,106                                 | 95,439                                   | 3,333                  |       | 0                                      | 4,241                            |
| 2,594                           | TOTAL NON CONTROLLABLE                             | 363                                    | 363                                    | 452                                      | 89                     |       | 0                                      | 0                                |
| 8,950                           | TOTAL EXCLUDED RECHARGES                           | 10,881                                 | 10,881                                 | 10,881                                   | 0                      |       | 0                                      | 0                                |
| 105,651                         | TOTAL ECHS DEPARTMENT                              | 103,597                                | 103,350                                | 106,772                                  | 3,422                  |       | 0                                      | 4,241                            |
|                                 | Environmental Services Dept - Housing              |  |  |  |                        |       |  |                                  |
| 189                             | Housing Improvement                                | 195                                    | 195                                    | 195                                      | 0                      |       | 0                                      | 0                                |
| 189                             | TOTAL CONTROLLABLE FOR ENV SVCES DEPT              | 195                                    | 195                                    | 195                                      | 0                      |       | 0                                      | 0                                |
| 407                             | TOTAL NON CONTROLLABLE                             | Cr 942                                 | Cr 942                                 | Cr 942                                   | 0                      |       | 0                                      | 0                                |
| 327                             | TOTAL EXCLUDED RECHARGES                           | 320                                    | 320                                    | 320                                      | 0                      |       | 0                                      | 0                                |
| 923                             | TOTAL FOR ENVIRONMENTAL SVCES DEPT                 | Cr 427                                 | Cr 427                                 | Cr 427                                   | 0                      |       | 0                                      | 0                                |
| 106,574                         | TOTAL CARE SERVICES PORTFOLIO                      | 103,170                                | 102,923                                | 106,345                                  | 3,422                  |       | 0                                      | 4,241                            |

|  |                |
|--|----------------|
| <b>Reconciliation of Latest Approved Budget</b>                          | <b>£'000</b>   |
| <b>2016/17 Original Budget</b>   | <b>103,170</b> |
| <b>Carry forwards requested this cycle:</b>                              |                |
| <i>Social Care Funding via the CCG under S256 agreements</i>             |                |
| Adult Social Care Invest to Save Schemes                                 |                |
| - expenditure  | 48             |
| - income   | Cr 48          |
| Integration Funding - Better Care Fund                                   |                |
| - expenditure  | 300            |
| - income   | Cr 300         |
| <i>Better Care Fund</i>  |                |
| - expenditure  | 381            |
| - income   | Cr 381         |
| <i>Adoption Reform Grant</i>   |                |
| - expenditure  | 132            |
| - income   | Cr 132         |
| <b>Other:</b>  |                |
| Better Care Fund allocation from contingency                             | Cr 750         |
| Additional income linked to National Living Wage - return to contingency | 503            |
|  | Cr 247         |
| <b>2016/17 Latest Approved Budget</b>                                    | <b>102,923</b> |

## **REASONS FOR VARIATIONS**

### **1. Assessment and Care Management - Dr £703k**

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

|  | <u>Current</u><br><u>Variation</u><br>£'000 |
|--|---|
| <u>Physical Support / Sensory Support / Memory &amp; Cognition</u> |   |
| Services for 65 + - Placements                                     | 42  |
| - Domiciliary Care / Direct Payments                               | 255   |
| Services for 18 - 64 - Placements                                  | 11  |
| - Domiciliary Care / Direct Payments                               | 91  |
| Extra Care Housing   | 54  |
| Efficiency Savings to be identified                                | 250   |
|  | <u>703</u>                                  |

The budget for 2016/17 included savings of £2.15m in relation to the Assessment & Care Management budgets. The current projected overspend of £703k assumes that management action of £1,369k continues for the remainder of the year as per the budget savings. If this does not materialise, the overspend will increase

#### Services for 65+ - Dr £297k

Services for the 65's and over age group are currently showing an overspend of £297k, taking account of savings still to be achieved.

Residential care placements are currently showing a projected overspend of £33k, whilst Nursing care is projected to overspend by £9k. The savings in this area relate to better management of both internal and external void apartments in extra care housing so as to reduce numbers placed in residential care, as well as ensuring no placements are made above the council's financial ceiling rate's. The combined client numbers are currently 432 which is 27 above the budget number.

Domiciliary care and direct payments are currently projected to overspend by £255k taking account of savings still to be achieved. This area of the budget has the highest savings target to achieve at £1.26m. The savings in this area relate to reviewing packages of care, increasing the capacity of the reablement service so that more clients can be reabled and reduce the reliance on care packages, and additional charging for day and transport services.

#### Extra Care Housing - Dr £54k

The 3 external extra care housing schemes are projected to overspend by £54k this year, as average care packages continue to be above the level budgeted for. As mentioned above, avoidance of void's in these schemes is a key element of the 2016/17 budget savings, and there is also a financial cost to the council where a property remains vacant for more than 28 days.

#### Services for 18 - 64 year olds - Dr £102k

Placements for the 18 - 64 age group are currently showing a minor projected overspend of £11k, with client numbers on budget at 43. Domiciliary care and direct payments are projected to overspend by £91k.

General efficiency savings of £250k were allocated to ECHS Adult Social Care Division as part of the 2016/17 budget process. At this stage no additional savings have been identified, so an overspend is currently reported.

### **2. Learning Disabilities Care Management - Dr £57k**

An overspend of £88k relates to the provision of domiciliary care services and direct payments for adults aged 18 and over with a learning disability.

The budget for staffing in the team that manages the Shared Lives scheme is projected to underspend by £31k as a result of a vacant post.

### **3. Housing Needs - £0k**

A variation of £405k is currently projected for Temporary Accommodation budgets. This pressure is expected to be covered via a request to draw down funds held in contingency later in the year. The increase is due to higher client numbers (average increase of 14 per month for 2015/16 to date, inclusive of welfare reform) and rising unit costs are evident, and the projections assume the trend continues for the rest of the financial year.

These increases have been noticeable across all London Boroughs and are the result of the pressures of rent and mortgage arrears coupled with a reduction in the numbers of properties available for temporary accommodation. There are high levels of competition and evidence of 'out bidding' between London boroughs to secure properties and this has contributed towards the high costs of nightly paid accommodation.

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

The full year effect of the projected overspend is currently anticipated to be a pressure of £796k in 2016/17. However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point.

Currently there is a £125k pressure relating to the storage of furniture for client's who have had to go into Temporary Accommodation.

### **4. Children's Social Care - Dr £1,726k**

The current projected overspend in Children's Social Care is £1,726k, with the main areas of under / overspending shown below. The budget includes savings assumptions from management action for the remainder of the year as per the budgeted savings targets. If this does not materialise then the overspend will increase.

#### **Care and Resources - Dr £979k**

##### **Placements - Dr £731k**

The budget for 2016/17 for children's placements included savings of £619k. Projections for May indicate a projected overspend in the region of £731k. This figure includes assumptions around future placements, although the level of volatility around this budget makes predictions difficult.

##### **Leaving Care - Dr £248k**

The budget for the cost of clients leaving care continues to underspend for 16 and 17 year olds, with a figure of Cr £19k currently being projected. 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 lack of supply of suitable accommodation and the rental price. The current overspend is £266k based on current client in the service. This figure could increase if net client numbers increase.

#### **Savings not achievable - Dr £500k**

This area has a savings target of £500k relating to placements and additional income generation. The Director of Children's Services has indicated that there are difficulties in realising these savings. This will be closely monitored throughout the year.

#### **Safeguarding & Care Planning - Dr 247k**

##### **No Recourse to Public Funds - Cr £37k**

The projected cost to Bromley for people with no recourse to public funding continues to underspend, with a current projection of Cr £37k reported. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget. Currently there are 40 children with families receiving funding, compared to 48 at the end of 2015-16. This budget does however remain volatile.

##### **Public Law Outline - Court Ordered Care Proceedings - Dr £284k**

Cost's in relation to care proceedings are currently expected to be £284k above the budget provision of £542k due to high demand. The main areas of overspend are in independent social worker assessments and parenting residential assessments which are largely outside the control of the council.

## **5. Commissioning - Dr £200k**

General efficiency savings of £250k were allocated to ECHS Commissioning Division as part of the 2016/17 budget process. It is anticipated that £50k savings can be realised from contract efficiencies but, at this early stage in the year, plans to achieve the remainder are still to be identified.

## **6. Learning Disabilities - Dr £647k**

The 2016/17 LD budget included £1.6m savings for the year. At this stage it is assumed that profiled savings will continue for the rest of the year as per the budget. This amounts to £1.02m for the remainder of the year. If the management action does not materialise then the overspend may increase. Anticipated cost pressures from transition clients have been partly mitigated by the overachievement of savings on supported living contracts.

At this early stage in the financial year the projections include a considerable level of assumption relating to uncertainties e.g. transition clients, increased care needs, carer breakdowns, attrition, health funding, start dates etc. Based on the information currently available a net overspend of £647k is anticipated but this could vary significantly as the year progresses.

## **7. Mental Health - Dr £0k**

The 2016/17 MH placements budgets included £254k savings and these have not yet been fully achieved. It has been assumed that these will be found through management action for the remainder of the year.

## **8. Supporting People - Dr £0k**

Savings totalling £370k were built in to the 2016/17 Supporting People budget and it is currently estimated that only £294k will be delivered in 2016/17. However 2016/17 tendering activity should deliver the savings required in a full year and this is assumed in the modelling.

## **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:

There were 6 waiver's agreed for care placement's in both adults and children's social care services over £50k but less than £100k and 5 waiver's agreed for over £100k.

## **Virements Approved to date under Director's Delegated Powers**

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

| 2015/16<br>Actuals<br>£'000                            | Service Areas                                  | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br>£'000 |
|--|--|--|--|--|--------------------|-------|--|------------------------------|
| <b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b> |  |  |  |  |                    |       |  |                              |
| <b>Education Division</b>                              |  |  |  |  |                    |       |  |                              |
| Cr 233   | Adult Education Centres                        | Cr 288                                 | Cr 288                                 | Cr 288                                   | 0                  |       | 0                                      | 0                            |
| 231  | Alternative Education and Welfare Service      | 250                                    | 250                                    | 250                                      | 0                  |       | 0                                      | 0                            |
| 264  | Schools and Early Years Commissioning & QA     | 391                                    | 391                                    | 391                                      | 0                  |       | 0                                      | 0                            |
| 4,978  | SEN and Inclusion                              | 4,869                                  | 4,889                                  | 5,489                                    | 600                | 1     | 0                                      | 0                            |
| 207  | Strategic Place Planning                       | 205                                    | 205                                    | 205                                      | 0                  |       | 0                                      | 0                            |
| Cr 15  | Workforce Development & Governor Services      | 18                                     | 18                                     | 19                                       | 1                  |       | 0                                      | 0                            |
| Cr 1,650   | Education Services Grant                       | Cr 1,728                               | Cr 1,728                               | Cr 1,248                                 | 480                | 2     | 0                                      | 0                            |
|  | Education Funds Held in Contingency            |  |  | Cr 480                                   | Cr 480             | 2     | 0                                      | 0                            |
| Cr 1,395   | Schools Budgets                                | Cr 1,219                               | Cr 1,219                               | Cr 1,219                                 | 0                  | 3     | 0                                      | 0                            |
| 94   | Other Strategic Functions                      | 179                                    | 179                                    | 179                                      | 0                  |       | 0                                      | 0                            |
| <b>2,481</b>   |  | <b>2,677</b>                           | <b>2,697</b>                           | <b>3,298</b>                             | <b>601</b>         |       | <b>0</b>                               | <b>0</b>                     |
| <b>Children's Social Care</b>                          |  |  |  |  |                    |       |  |                              |
| 1,757  | Bromley Youth Support Programme                | 1,438                                  | 1,438                                  | 1,521                                    | 83                 | 4     | 0                                      | 0                            |
| 1,872  | Early Intervention Services                    | 1,130                                  | 1,130                                  | 1,130                                    | 0                  |       | 0                                      | 0                            |
| <b>3,629</b>   |  | <b>2,568</b>                           | <b>2,568</b>                           | <b>2,651</b>                             | <b>83</b>          |       | <b>0</b>                               | <b>0</b>                     |
| <b>6,110</b>   | <b>TOTAL CONTROLLABLE FOR EDUCATION - ECHS</b> | <b>5,245</b>                           | <b>5,265</b>                           | <b>5,949</b>                             | <b>684</b>         |       | <b>0</b>                               | <b>0</b>                     |
| 11,061   | <b>Total Non-Controllable</b>                  | 4,198                                  | 4,198                                  | 4,198                                    | 0                  |       | 0                                      | 0                            |
| 3,628  | <b>Total Excluded Recharges</b>                | 3,240                                  | 3,240                                  | 3,240                                    | 0                  |       | 0                                      | 0                            |
| <b>20,799</b>  | <b>TOTAL EDUCATION PORTFOLIO - ECHS</b>        | <b>12,683</b>                          | <b>12,703</b>                          | <b>13,387</b>                            | <b>684</b>         |       | <b>0</b>                               | <b>0</b>                     |
| <b>Memorandum Item</b>                                 |  |  |  |  |                    |       |  |                              |
| <b>Sold Services</b>                                   |  |  |  |  |                    |       |  |                              |
| Cr 62  | Education Psychology Service (RSG Funded)      | Cr 18                                  | Cr 18                                  | Cr 18                                    | 0                  | 5     | 0                                      | 0                            |
| Cr 43  | Education Welfare Service (RSG Funded)         | Cr 33                                  | Cr 33                                  | Cr 33                                    | 0                  |       | 0                                      | 0                            |
| Cr 33  | Workforce Development (DSG/RSG Funded)         | Cr 11                                  | Cr 11                                  | Cr 11                                    | Cr 22              |       | 0                                      | 0                            |
| 0  | Governor Services (DSG/RSG Funded)             | Cr 6                                   | Cr 6                                   | Cr 6                                     | 0                  |       | 0                                      | 0                            |
| Cr 66  | Community Vision Nursery (RSG Funded)          | 0                                      | 0                                      | 0  | 0                  |       | 0                                      | 0                            |
| Cr 23  | Blenheim Nursery (RSG Funded)                  | 0                                      | 0                                      | 0  | 0                  |       | 0                                      | 0                            |
| 0  | Business Partnerships (RSG Funded)             | 0                                      | 0                                      | 0  | 0                  |       | 0                                      | 0                            |
|  | <b>Total Sold Services</b>                     | <b>Cr 68</b>                           | <b>Cr 46</b>                           | <b>Cr 68</b>                             | <b>Cr 22</b>       |       | <b>0</b>                               | <b>0</b>                     |

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2016/17

12,683

SEN Transport staffing post

20

## Latest Approved Budget for 2016/17

12,703

## **REASONS FOR VARIATIONS**

### **1. SEN and Inclusion - Dr £600k**

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 2016/17 is £201k, of which £180k was approved for drawdown by Executive in March 2016, in addition to the carry forward of £108k of the 2015/16 grant that was not used.

Additionally the Department for Education has provided us with a SEND Regional Lead Grant in 2016/17 that is used in partnership with Enfield to support the role of regional lead for the implementation of the Special Educational Needs reforms. LBB's allocation of this grant for 2016/17 is £28k, along with a carry forward of £15k of the 2015/16 grant that was not used.

Although the travel training programme continues with success and has contributed to improved outcomes and helps address annual volume increases, SEN transport is currently projected to overspend by £600k. 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 remainder of the overspend is due to the increased number of routes required during the year and the complexity of the clients using them (i.e. the need to have assistances on the transport due to the young age of the client).

### **2. Education Services Grant - Dr £480k**

Current projections for the Education Services Grant (ESG) allocation is £480k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The current projection is based on the 3 conversions on 1st April, and a further 6 schools that will be converting due the remained of the year. The full year effect of these conversions is £550k. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

### **3. Schools Budgets (no impact on General Fund)**

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget. Any overspend or underspend must be carried forward to the following years Schools Budget.

The total projected net underspend of £1.3m will therefore add to the £3.7m carried forward from 2015/16. Along with £3m for the Beacon House refurbishment (of which £1.4m remains), £2.5m has been agreed for growth in 2016/17 to balance the budget, so the brought forward balance has now been fully spent / allocated.

SEN placements and support costs are projected to underspend by a total of £253k. This underspend is mainly due to a reduction in the number of pupils being placed in boarding schools (£980k) and Alternative support (£156k). This is then offset by the increase in the number of pupils that have been placed at day schools (£652k). Additionally the income collected is expected to be £81k higher than budgeted.

There is currently an expected overspend of £55k on Special Schools. This relates to a payments that needs to be made this year relating to 2015/16.

Phoenix Pre School Services are currently in negotiations with their landlord over a new rental agreement for the centre they currently occupy. The new agreement is expected to lead to an above inflation increase in their rent. Ways of covering this rental income with additionally income else where is currently being finalised. The additional income is expected to cover the whole of the rental increase and not lead to a pressure on this budget.

Free Early Years Education is forecast to underspend in first half of the Summer Term by a total of £171k. This is mainly down to the 2 years take up rate being lower than expect. Ways of improving the take up rates are currently being examined.

The DSG funded element of SEN Transport is projected to underspend by £147k. 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. This figure is likely to change once the routes for the new academic year have been finalised.

The underspends above are offset by a continued increase in the requirement for bulge classes at both primary and secondary schools. The current budget for bulge classes is £2.5m (an increase of £1m from 2015/16) that was agreed by the School Forum, and 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. Additionally we currently expecting to spend £113k on modular classroom rentals during the year. This figure is likely to increase once the requirements for the new academic year have been established.

|  | Variations      |
|--|-----------------|
|  | £'000           |
| Modular classroom rentals              | 113             |
| Special Schools/units                  | 55              |
| Free Early Education - 2 year olds     | Cr 147          |
| Free Early Education - 3 & 4 year olds | Cr 24           |
| Standards Fund Grant                   | Cr 745          |
| SEN:                                   |                 |
| - Placements                           | Cr 253          |
| - Support in FE colleges               | Cr 214          |
| - Transport                            | Cr 147          |
|  | <u>Cr 1,362</u> |

#### **4. Bromley Youth Support Programme - Dr £83k**

The Youth Service has a projected overspend in year on salaries and some running costs whilst the restructure required to reconfigure the service to achieve the 2015-16 saving is completed with the service continuing to provide both universal and targeted youth support.

The pressure in the Youth Offending Team is due to the funding they receive from the Youth Justice Board being further reduced in April by £22k. A review of their existing services will be carried out to address this sort fall in future years.

|                      | Variations<br>£'000 |
|----------------------|---------------------|
| Youth Services       | 61                  |
| Youth Offending Team | <u>22</u>           |
|                      | <u><u>83</u></u>    |

#### **5. Sold Services (net budgets)**

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

#### **Waiver of Financial Regulations**

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

| 2015/16<br>Actuals<br>£'000 | Service Areas                                  | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br>£'000 |
|-----------------------------|--|--|--|--|--------------------|-------|--|------------------------------|
|                             | <b>ENVIRONMENT PORTFOLIO</b>                   |  |  |  |                    |       |  |                              |
|                             | <b>Street Scene &amp; Green Spaces</b>         |  |  |  |                    |       |  |                              |
| 5,445                       | Parks and Green Spaces                         | 5,109                                  | 5,109                                  | 5,109                                    | 0                  |       | 0                                      | 0                            |
| 417                         | Street Regulation and Enforcement incl markets | 386                                    | 386                                    | 386                                      | 0                  |       | 0                                      | 0                            |
| 17,599                      | Waste Services                                 | 17,206                                 | 17,206                                 | 17,066                                   | Cr 140             | 1     | 0                                      | 0                            |
| 3,891                       | Street Environment                             | 4,181                                  | 4,181                                  | 4,181                                    | 0                  |       | 0                                      | 0                            |
| 808                         | Management and Contract Support                | 781                                    | 781                                    | 781                                      | 0                  |       | 0                                      | 0                            |
| 629                         | Transport Operations and Depot Management      | 811                                    | 791                                    | 791                                      | 0                  |       | 0                                      | 0                            |
| 280                         | Trees  | 683                                    | 683                                    | 683                                      | 0                  |       | 0                                      | 0                            |
| <b>29,069</b>               |  | <b>29,157</b>                          | <b>29,137</b>                          | <b>28,997</b>                            | <b>Cr 140</b>      |       |  |                              |
|                             | <b>Parking Services</b>                        |  |  |  |                    |       |  |                              |
| Cr 7,455                    | Parking  | Cr 7,041                               | Cr 6,735                               | Cr 6,595                                 | 140                | 2-5   | 0                                      | 0                            |
| <b>Cr 7,455</b>             |  | <b>Cr 7,041</b>                        | <b>Cr 6,735</b>                        | <b>Cr 6,595</b>                          | <b>140</b>         |       | <b>0</b>                               | <b>0</b>                     |
|                             | <b>Transport &amp; Highways</b>                |  |  |  |                    |       |  |                              |
| 112                         | Traffic & Road Safety                          | 206                                    | 206                                    | 206                                      | 0                  |       |  |                              |
| 10,035                      | Highways (including London Permit Scheme)      | 8,881                                  | 9,094                                  | 9,094                                    | 0                  |       |  |                              |
| <b>10,147</b>               |  | <b>9,087</b>                           | <b>9,300</b>                           | <b>9,300</b>                             | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |
|                             |  |  |  |  |                    |       |  |                              |
| <b>31,761</b>               | <b>TOTAL CONTROLLABLE</b>                      | <b>31,203</b>                          | <b>31,702</b>                          | <b>31,702</b>                            | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |
| 8,075                       | <b>TOTAL NON-CONTROLLABLE</b>                  | 5,299                                  | 5,299                                  | 5,299                                    | 0                  |       | 0                                      | 0                            |
| 2,429                       | <b>TOTAL EXCLUDED RECHARGES</b>                | 2,041                                  | 2,041                                  | 2,041                                    | 0                  |       | 0                                      | 0                            |
| <b>42,265</b>               | <b>PORTFOLIO TOTAL</b>                         | <b>38,543</b>                          | <b>39,042</b>                          | <b>39,042</b>                            | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2016/17

38,543

Transfer of budget for staffing back to SEN - Education S/E 884.

Cr 20

Parking carry forward re automated bus lane and non- bus lane cameras

306

WEEE Grant Income

Cr 13

WEEE Grant Expenditure

13

Drainage Water Grant Income

Cr 69

Drainage Water Grant Expenditure

69

Lead Local Flood grant

213

## Latest Approved Budget for 2016/17

39,042

## **REASONS FOR VARIATIONS**

### **1. Waste Services Cr £140k**

Disposal tonnages from increased trade waste delivered activity are projected to be 1,100 tonnes above budget resulting in an overspend of Dr £160k. For information, there has been an additional 260 tonnes at the weighbridges for the first two months of the year compared to the same period in 2015-16.

As a direct consequence of the extra tonnage described above, the projected additional income within trade waste delivered is Cr £160k to offset the disposal overspend from weighbridge tonnage.

Within trade waste collected, there is a net projected surplus of Cr £30k. This would suggest a lower degree of customer dropout than anticipated, although as of writing, a full analysis of customer activity has not yet been undertaken. This will be investigated and reported on more fully before the next budget monitoring report.

For other residual tonnage, there is a projected underspend of Cr £62k. This includes a projected reduction in recycling tonnage of 2,206 tonnes mainly from food waste and detritus, partly offset by an expected increase of 930 tonnes for trade waste delivered and non-recycling tonnage from households.

Within paper recycling income, there is a projected surplus of Cr £18k as tonnage is expected to be about 266 tonnes above budget.

The projected reduction in detritus tonnage has resulted in a potential underspend of £30k for disposal costs.

| <b>Summary of overall variations within Waste Services</b> | <b>£'000</b>  |
|--|---------------|
| Waste disposal tonnages - other residual tonnage           | Cr 62         |
| Waste disposal tonnages - Trade Waste Delivered            | 160           |
| Surplus trade waste delivered income                       | Cr 160        |
| Paper recycling income                                     | Cr 18         |
| Disposal of detritus tonnage                               | Cr 30         |
| Trade waste collected income                               | Cr 30         |
| <b>Total variation for Waste Services</b>                  | <b>Cr 140</b> |

### **2. Income from Bus Lane Contraventions Cr £10k**

The introduction of the automated cameras has been delayed from the 1st April 2016, however they should be fully operational from 1st July 2016. Based on the number of contraventions that occurred up until 31st May 2016, there is a projected surplus of Cr £10k.

### **3. Off Street Car Parking Cr £35k**

Overall a surplus of £35k is projected for off street parking income. There is a projected deficit of £35k for the Hill MSCP, which is more than offset by additional income of Cr £70k from surface car parks.

| <b>Summary of variations within Off Street Car Parking</b> | <b>£'000</b> |
|--|--------------|
| Off Street Car Parking income - multi-storey car parks     | 35           |
| Off Street Car Parking income - other surface car parks    | Cr 70        |
| <b>Total variations within Off Street Parking</b>          | <b>Cr 35</b> |

### **4. On Street Car Parking Dr £126k**

Based on actual income to 31st May 2016 there is a projected net deficit of around £100k for On Street Parking. A number of sites have been identified where additional Pay and Display parking bays can be installed borough wide. This includes shopping parades to assist the turnover of parking on street and roads in close proximity to railway stations, where unrestricted parking is currently creating parking issues and displacement. As agreed, if all sites were progressed as proposed, it is likely to generate an approximate £350k per annum. Each proposal has been and will be subject to consultation with Ward Members and the directly affected residents/traders, so full implementation has not been possible by 1st April 2016. Therefore taking into account the income to May 2016, the new spaces operational to date and those planned for implementation by 30th September 2016, it is projected that there will be a shortfall in On Street Parking income of £100k 2016/17 with no full year variation from 2017/18 onwards.

Due to the introduction of new £1 coins and £5 polymer notes this year, all the parking income machines will need to be upgraded at an estimated cost of Dr £78k. This is to be funded from the Equipment budget On Street of £52k and a saving on the Enforcement Equipment budget Cr £26k. These machines are for both On Street and Off Street parking.

## **5. Car Parking Enforcement Dr £59k**

From the activity levels up to May 2016, there is a projected net deficit of around Dr £20k from PCNs issued by Indigo Park in the current year due to a reduction in contraventions because of staff sickness, leave and training in April 2016. There has been a delay in employing the 4 additional CEOs on street until the start of July 2016 and the Parking manager is not expecting any further budget variances. The numbers will be closely monitored over the next few months.

Due to delays in introducing the automated cameras which should be fully operational from 1st July 2016, a net deficit of Dr £30k is projected based on data to 31st May 2016 and a surplus of Cr £17k for static cameras. CCTV staff are to be given notice mid-June 2016 and the projected additional cost of their salaries is £45k. It should be noted that the CCTV staff are also responsible for monitoring the bus lanes prior to the introduction of the redeployable bus lane cameras. The additional staffing cost of the Mobile driver is estimated at £7k for 2016/17.

In order to meet the costs of upgrading the parking income machines, a saving of Cr £26k from the enforcement equipment budget will be used.

| <b>Summary of variations within Car Parking Enforcement</b>          |    | <b>£'000</b> |
|--|----|--------------|
| PCNs issued by wardens   |    | 20           |
| CCTV Salaries  |    | 45           |
| Mobile driver salary   |    | 7            |
| Enforcement - Equipment budget                                       | Cr | 26           |
| PCNs issued by Static cameras  | Cr | 17           |
| PCNs issued by Mobile cameras  |    | 30           |
| <b>Total variations within Car Parking Enforcement</b>               |    | <b>59</b>    |
| <b>Summary of overall variations within Parking:</b>                 |    | <b>£'000</b> |
| Bus Routes Enforcement   | Cr | 10           |
| Off Street Car Parking   | Cr | 35           |
| On Street Car Parking  |    | 100          |
| On/Off Street Car Parking - upgrade machines for changes in currency |    | 26           |
| Car Parking Enforcement  |    | 59           |
| <b>Total variation for Parking</b>                                   |    | <b>140</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

| 2015/16<br>Actuals<br>£'000 | Service Areas                   | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br>£'000 |
|-----------------------------|---------------------------------|--|--|--|--------------------|-------|--|------------------------------|
|                             | <b>Public Protection</b>        |  |  |  |                    |       |  |                              |
| 172                         | Community Safety                | 126                                    | 126                                    | 126                                      | 0                  |       | 0                                      | 0                            |
| 70                          | Emergency Planning              | 78                                     | 81                                     | 81                                       | 0                  |       | 0                                      | 0                            |
| 333                         | Mortuary & Coroners Service     | 355                                    | 355                                    | 355                                      | 0                  |       | 0                                      | 0                            |
| 1,464                       | Public Protection               | 1,389                                  | 1,386                                  | 1,386                                    | 0                  |       | 0                                      | 0                            |
| <b>2,039</b>                | <b>TOTAL CONTROLLABLE</b>       | <b>1,948</b>                           | <b>1,948</b>                           | <b>1,948</b>                             | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |
| 426                         | <b>TOTAL NON CONTROLLABLE</b>   | 6                                      | 6                                      | 6  | 0                  |       | 0                                      | 0                            |
| 29                          | <b>TOTAL EXCLUDED RECHARGES</b> | 159                                    | 159                                    | 159                                      | 0                  |       | 0                                      | 0                            |
| <b>2,494</b>                | <b>PORTFOLIO TOTAL</b>          | <b>2,113</b>                           | <b>2,113</b>                           | <b>2,113</b>                             | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |

## Reconciliation of Latest Approved Budget

£'000

## Original Budget 2016/17

2,113

Community Safety DCLG Grant year 2 Cr 61

Community Safety DCLG Grant year 2 expenditure 61

## Latest Approved Budget for 2016/17

2,113

## **REASONS FOR VARIATIONS**

### **Waiver of Financial Regulations:**

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

### **Virements Approved to date under Director's Delegated Powers**

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

## Renewal and Recreation Budget Monitoring Summary

| 2015/16<br>Actuals<br>£'000 | Division<br>Service Areas                       | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br>£'000 |
|-----------------------------|---|--|--|--|--------------------|-------|--|------------------------------|
|                             | <b>R&amp;R PORTFOLIO</b>                        |  |  |  |                    |       |  |                              |
| 0                           | <b>Commissioning Fund</b><br>Commissioning Fund | 0                                      | 0                                      | 0  | 0                  | 1     | 0                                      | 0                            |
| <b>0</b>                    |   | <b>0</b>                               | <b>0</b>                               | <b>0</b>                                 | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |
| Cr 19                       | <b>Planning</b><br>Building Control             | 69                                     | 69                                     | 19                                       | Cr 50              | 2     | 0                                      | 0                            |
| Cr 168                      | Land Charges                                    | Cr 131                                 | Cr 131                                 | Cr 131                                   | 0                  | 3     | 0                                      | 0                            |
| 589                         | Planning  | 671                                    | 671                                    | 671                                      | 0                  | 4     | 0                                      | 0                            |
| 1,568                       | Renewal   | 1,888                                  | 2,171                                  | 2,171                                    | 0                  |       | 0                                      | 0                            |
| <b>1,970</b>                |   | <b>2,497</b>                           | <b>2,780</b>                           | <b>2,730</b>                             | <b>Cr 50</b>       |       | <b>0</b>                               | <b>0</b>                     |
| 2,192                       | <b>Recreation</b><br>Culture                    | 1,710                                  | 1,757                                  | 1,757                                    | 0                  |       | 0                                      | 0                            |
| 4,610                       | Libraries                                       | 4,495                                  | 4,495                                  | 4,745                                    | 250                | 5     | 0                                      | 0                            |
| 263                         | Town Centre Management & Business Support       | 251                                    | 293                                    | 293                                      | 0                  |       | 0                                      | 0                            |
| <b>7,065</b>                |   | <b>6,456</b>                           | <b>6,545</b>                           | <b>6,795</b>                             | <b>250</b>         |       |  |                              |
|                             |   |  |  |  |                    |       |  |                              |
| <b>9,035</b>                | <b>Total Controllable R&amp;R Portfolio</b>     | <b>8,953</b>                           | <b>9,325</b>                           | <b>9,525</b>                             | <b>200</b>         |       | <b>0</b>                               | <b>0</b>                     |
| Cr 13,572                   | <b>TOTAL NON CONTROLLABLE</b>                   | 2,353                                  | 2,353                                  | 2,353                                    | 0                  |       |  | 0                            |
| 2,281                       | <b>TOTAL EXCLUDED RECHARGES</b>                 | 1,958                                  | 1,958                                  | 1,958                                    | 0                  |       | 0                                      | 0                            |
| <b>Cr 2,256</b>             | <b>PORTFOLIO TOTAL</b>                          | <b>13,264</b>                          | <b>13,636</b>                          | <b>13,836</b>                            | <b>200</b>         |       | <b>0</b>                               | <b>0</b>                     |

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2016/17

13,264

Local Implementation Plan

47

Biggin Hill Airport Noise Action Plan

55

Biggin Hill Memorial Museum

47

New Home Bonus expenditure for Regeneration

181

New Home Bonus expenditure for TCM

42

## Latest Approved Budget for 2016/17

13,636

## **REASONS FOR VARIATIONS**

### **1. Commissioning Fund £0k**

Although no variation is projected (expenditure is funded by drawdown from a centrally-held reserve), it should be noted that there is a projected spend in 2016/17 of £43k.

### **2. Building Control Cr £50k.**

For the chargeable service, an income deficit of £140k is anticipated based on information to date. This is being offset by a projected underspend within salaries of £140k arising from reduced hours being worked and vacancies.

Within the non-chargeable service, as a result of delays in not appointing to vacant posts, there is a projected underspend of Cr £50k.

### **3. Land Charges £0k**

There is a projected deficit within income of Dr £35k, however this is being offset by underspends across employee budgets due to vacancies, thus ensuring a balanced budget.

### **4. Planning £0k**

Income from non-major planning applications is above budget for the first two months of the year, and a surplus of Cr £70k is projected for 2016/17. For information, actual income received for April and May is £30k higher than that received for the same period last year.

For major applications, £132k has been received as at 31st May, which is £47k higher than for the same period in 2015/16. Planning officers within the majors team have provided a schedule of additional potential income that may be received in the coming months of approximately £480k. A surplus of around Cr £30k is projected from major applications at this stage of the year, allowing for delays in some of the income being received, as well as other items not being received at all.

Currently there is projected surplus income of Cr £20k from pre-application meetings due to higher than budgeted activity levels. For information, £45k has been received for the first two months of the year, compared with £39k for the same period in 2015/16.

There is a projected overspend within employee-related costs of Dr £120k. This is due to the recruitment of additional temporary planner staff in order to assist with the current increase in volumes of planning applications.

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

|  | <b>£'000</b> |
|--|--------------|
| Surplus income from non-major applications | Cr 70        |
| Surplus income from major applications     | Cr 30        |
| Surplus pre-application income             | Cr 20        |
| Additional temporary staffing costs        | 120          |
| <b>Total variation for planning</b>        | <b>0</b>     |

### **5. Libraries Dr £250k**

In January 2016, officers reported that the savings previously projected for 2016/17 are unlikely to be achieved in this financial year as a result of the business model submitted by the tenderer and because the timetable and potential lead in time requested by the tenderer for contract mobilisation. The actual full year effect savings will be dependent on the final tenders submitted and this will be reported to members in due course.

### **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.

## Resources Portfolio Budget Monitoring Summary

| 2015/16<br>Actual<br>£'000 |  | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>Last<br>Reported<br>£'000 | Full Year<br>Effect<br>£'000 |
|----------------------------|--|--|--|--|--------------------|-------|--|------------------------------|
|                            | <b>CHIEF EXECUTIVE'S DEPARTMENT</b>                        |  |  |  |                    |       |  |                              |
|                            | <b>FINANCIAL SERVICES DIVISION</b>                         |  |  |  |                    |       |  |                              |
|                            | <b>Financial Services &amp; Procurement</b>                |  |  |  |                    |       |  |                              |
| 200                        | Director of Finance & Other                                | 207                                    | 207                                    | 207                                      | 0                  |       |  | 0                            |
| 6,339                      | Exchequer - Revenue & Benefits                             | 6,729                                  | 6,729                                  | 6,689                                    | Cr 40              | 1     |  | 0                            |
| 1,500                      | Exchequer - Payments & Income                              | 1,560                                  | 1,560                                  | 1,549                                    | Cr 11              | 2     |  | 0                            |
| 602                        | Financial Accounting                                       | 588                                    | 629                                    | 629                                      | 0                  |       |  | 0                            |
| 1,387                      | Management Accounting                                      | 1,520                                  | 1,520                                  | 1,490                                    | Cr 30              | 3     |  | 0                            |
| <b>10,028</b>              | <b>Total Financial Services Division</b>                   | <b>10,604</b>                          | <b>10,645</b>                          | <b>10,564</b>                            | <b>Cr 81</b>       |       | <b>0</b>                               | <b>0</b>                     |
|                            | <b>CORPORATE SERVICES DIVISION</b>                         |  |  |  |                    |       |  |                              |
| 4,453                      | <b>Information Systems &amp; Telephony</b>                 | 4,369                                  | 4,446                                  | 4,426                                    | Cr 20              | 4     |  | 0                            |
|                            | <b>Operational Property Services</b>                       |  |  |  |                    |       | 0                                      |                              |
| 464                        | Operational Property                                       | 391                                    | 391                                    | 391                                      | 0                  |       |  | 0                            |
| 2,018                      | Repairs & Maintenance (All LBB)                            | 1,929                                  | 2,230                                  | 2,230                                    | 0                  |       |  | 0                            |
| 1,027                      | <b>Customer Services (inc. Bromley Knowledge)</b>          | 1,007                                  | 1,007                                  | 1,043                                    | 36                 | 5     |  | 36                           |
|                            | <b>Legal Services &amp; Democracy</b>                      |  |  |  |                    |       |  |                              |
| 323                        | Electoral  | 319                                    | 319                                    | 319                                      | 0                  |       |  | 0                            |
| 1,371                      | Democratic Services  | 1,397                                  | 1,397                                  | 1,397                                    | 0                  |       |  | 0                            |
| Cr 104                     | Registration of Births, Deaths & Marriages                 | Cr 95                                  | Cr 95                                  | Cr 95                                    | 0                  |       |  | 0                            |
| 1,564                      | Legal Services   | 1,602                                  | 1,852                                  | 1,825                                    | Cr 27              | 6     |  | 0                            |
| 1,554                      | Admin. Buildings   | 1,584                                  | 1,614                                  | 1,614                                    | 0                  |       |  | 0                            |
| 448                        | Facilities & Support                                       | 365                                    | 365                                    | 365                                      | 0                  |       |  | 0                            |
| 242                        | Learning and Development                                   | 308                                    | 308                                    | 308                                      | 0                  |       |  | 0                            |
| 2,234                      | Strategic and Business Support Service                     | 2,279                                  | 2,279                                  | 2,279                                    | 0                  |       |  | 0                            |
| 168                        | <b>Management and Other (Corporate Services)</b>           | 152                                    | 152                                    | 172                                      | 20                 | 7     |  | 0                            |
| <b>15,762</b>              | <b>Total Corporate Services Division</b>                   | <b>15,607</b>                          | <b>16,265</b>                          | <b>16,274</b>                            | <b>9</b>           |       | <b>0</b>                               | <b>36</b>                    |
|                            | <b>HR DIVISION</b>   |  |  |  |                    |       |  |                              |
| 1,501                      | Human Resources  | 1,550                                  | 1,639                                  | 1,639                                    | 0                  |       |  | 0                            |
| <b>1,501</b>               | <b>Total HR Division</b>                                   | <b>1,550</b>                           | <b>1,639</b>                           | <b>1,639</b>                             | <b>0</b>           |       | <b>0</b>                               | <b>0</b>                     |
|                            | <b>CHIEF EXECUTIVE'S DIVISION</b>                          |  |  |  |                    |       |  |                              |
| 733                        | Audit  | 664                                    | 664                                    | 664                                      | 0                  |       |  | 0                            |
| 354                        | Procurement  | 462                                    | 512                                    | 512                                      | 0                  |       |  | 0                            |
| 0                          | Debt Management System                                     | 0                                      | 0                                      | 0  | 0                  |       |  | 0                            |
| 205                        | Comms  | 177                                    | 177                                    | 177                                      | 0                  |       |  | 0                            |
| 710                        | Management and Other (C. Exec)                             | 538                                    | 538                                    | 538                                      | 0                  | 8     |  | 60                           |
| 122                        | Mayoral  | 131                                    | 131                                    | 131                                      | 0                  |       |  | 0                            |
| <b>2,124</b>               | <b>Total Chief Executive's Division</b>                    | <b>1,972</b>                           | <b>2,022</b>                           | <b>2,022</b>                             | <b>0</b>           |       | <b>0</b>                               | <b>60</b>                    |
|                            | <b>TRANSFORMATION &amp; REGENERATION DIVISION</b>          |  |  |  |                    |       |  |                              |
|                            | <b>Strategic Property Services</b>                         |  |  |  |                    |       |  |                              |
| 203                        | Investment & Non-Operational Property                      | 181                                    | 211                                    | 200                                      | Cr 11              | 9     |  | 0                            |
| 537                        | Strategic Property Services                                | 641                                    | 655                                    | 655                                      | 0                  |       |  | 0                            |
| Cr 7,456                   | Investment Income  | Cr 9,542                               | Cr 9,542                               | Cr 9,660                                 | Cr 118             | 10    |  | 0                            |
| Cr 824                     | Other Rental Income - Other Portfolios                     | Cr 811                                 | Cr 811                                 | Cr 722                                   | Cr 89              | 11    |  | 0                            |
| <b>Cr 7,540</b>            | <b>Total Transformation &amp; Regeneration Division</b>    | <b>Cr 9,531</b>                        | <b>Cr 9,487</b>                        | <b>Cr 9,527</b>                          | <b>Cr 40</b>       |       | <b>0</b>                               | <b>0</b>                     |
| <b>21,875</b>              | <b>Total Controllable Departmental Budgets</b>             | <b>20,202</b>                          | <b>21,084</b>                          | <b>20,972</b>                            | <b>Cr 112</b>      |       | <b>0</b>                               | <b>96</b>                    |
|                            | <b>CENTRAL ITEMS</b>                                       |  |  |  |                    |       |  |                              |
| 7,526                      | <b>CDC &amp; Non Distributed Costs (Past Deficit etc.)</b> | 7,579                                  | 7,579                                  | 7,579                                    | 0                  |       | 0                                      | 0                            |
| 10,994                     | <b>Concessionary Fares</b>                                 | 11,618                                 | 11,618                                 | 11,618                                   | 0                  |       | 0                                      | 0                            |
| <b>40,395</b>              | <b>Total Controllable</b>                                  | <b>39,399</b>                          | <b>40,281</b>                          | <b>40,169</b>                            | <b>Cr 112</b>      |       | <b>0</b>                               | <b>96</b>                    |

| 2015/16<br>Actual<br>£'000 | Financial Summary                                      | 2016/17<br>Original<br>Budget<br>£'000 | 2016/17<br>Latest<br>Approved<br>£'000 | 2016/17<br>Projected<br>Outturn<br>£'000 | Variation<br>£'000 | Notes | Variation<br>£'000 | Full Year<br>Effect<br>£'000 |
|----------------------------|--|--|--|--|--------------------|-------|--------------------|------------------------------|
| Cr 781                     | <b>Total Non Controllable</b>                          | 962                                    | 962                                    | 962                                      | 0                  |       | 0                  | 0                            |
| Cr 18,472                  | <b>Total Excluded Recharges</b>                        | Cr 19,371                              | Cr 19,371                              | Cr 19,371                                | 0                  |       | 0                  | 0                            |
| Cr 1,439                   | <b>Less: R&amp;M allocated across other Portfolios</b> | Cr 1,529                               | Cr 1,529                               | Cr 1,529                                 | 0                  |       | 0                  | 0                            |
| 824                        | <b>Less: Rent allocated across other Portfolios</b>    | 811                                    | 811                                    | 722                                      | Cr 89              |       |                    | 0                            |
| <b>20,527</b>              | <b>TOTAL CHIEF EXECUTIVE'S DEPARTMENT</b>              | <b>20,272</b>                          | <b>21,154</b>                          | <b>20,953</b>                            | <b>Cr 201</b>      |       | <b>0</b>           | <b>96</b>                    |
|                            |  |  |  |  |                    |       |                    |                              |
| <b>20,527</b>              | <b>TOTAL RESOURCES PORTFOLIO</b>                       | <b>20,272</b>                          | <b>21,154</b>                          | <b>20,953</b>                            | <b>Cr 201</b>      |       | <b>0</b>           | <b>96</b>                    |
|                            | <u><b>Memorandum Item</b></u>                          |  |  |  |                    |       |                    |                              |
|                            | <b>Sold Services</b>                                   |  |  |  |                    |       |                    |                              |
| 42                         | Facilities (Caretaking) Schools Trading Account        | 6                                      | 6                                      | 6  | 0                  |       |                    | 0                            |
| Cr 9                       | Reactive Maintenance Schools Trading Account           | Cr 12                                  | Cr 12                                  | Cr 12                                    | 0                  |       |                    | 0                            |
| <b>33</b>                  | <b>Total Sold Services</b>                             | <b>Cr 6</b>                            | <b>Cr 6</b>                            | <b>Cr 6</b>                              | <b>0</b>           |       | <b>0</b>           | <b>0</b>                     |

|  |               |
|--|---------------|
| <b>Reconciliation of Final Budget</b>              | <b>£'000</b>  |
| <b>Original budget 2016/17</b>                     | <b>20,272</b> |
| Carry forward requests:                            |               |
| IT BT Transition Costs                             | <b>77</b>     |
| IT upgrade at Anerley Business Centre              | <b>30</b>     |
| Transparency Agenda                                | <b>14</b>     |
| Residential Property Acquisitions (SPV) - Advice   | <b>291</b>    |
| Repairs and Maintenance                            | <b>301</b>    |
| Debt Management System - grant related expenditure | <b>177</b>    |
| Debt Management System - grant related income      | <b>Cr 177</b> |
| Electoral IER - grant related expenditure          | <b>73</b>     |
| Electoral IER - grant related income               | <b>Cr 73</b>  |
| Contract Register/Summaries Database               | <b>50</b>     |
| Staff Merit Awards                                 | <b>89</b>     |
| Inflation adjustment                               | <b>30</b>     |
| <b>Latest Approved Budget for 2016/17</b>          | <b>21,154</b> |

## **REASONS FOR VARIATIONS**

### **FINANCIAL SERVICES DIVISION**

#### **1. Exchequer - Revenue and Benefits Cr £40k**

There is a projected underspend of Cr £40k within salaries due to a number of vacant posts.

#### **2. Exchequer - Payments and Income Cr £11k**

An underspend of Cr £11k is forecast within staffing due to a full time post being filled by a member of staff working part time.

#### **3. Management Accounting Cr £30k**

Part year vacancies has resulted in a projected underspend of Cr £30k.

### **CORPORATE SERVICES DIVISION**

#### **4. Information Systems & Telephony Cr £20k**

An underspend of Cr £20k is forecast within the staffing budget because of delays to recruitment to vacant posts.

#### **5. Customer Services Dr £36k**

There is a projected overspend of Dr £36k as a result of the annual portal maintenance costs

#### **6. Legal Services Cr £27k**

An underspend of Cr £27k is anticipated within staffing due to the recruitment of an interim to fill a permanent post.

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

This variation relates to a saving built into the 2015-16 budget that has still to be identified. It is offset by underspends elsewhere in the Division.

### **CHIEF EXECUTIVE'S DIVISION**

#### **8. Management and Other (Chief Executive) Dr £0k**

Management savings of £304k were built into the budget. To date savings of £197k have been achieved leaving a balance of £107k. The full year effect savings total £249k. Alternative savings will be identified in order to balance the budget in the current and future years.

### **TRANSFORMATION AND REGENERATION DIVISION**

#### **9. Investment & Non-Operational Property Cr £11k**

A four month delay to the transfer of Anerley Business Centre to the Crystal Palace Community Development Trust (CPCDT) has resulted in additional costs of Dr £37k being incurred. This is more than offset by additional rental income - see below.

The Surplus Property budget is projected to overspend by Dr £29k as costs are being incurred for a number of properties waiting to be sold. This is more than offset by a saving on premises costs for Exchequer House of Cr £77k, mainly from business rates. The sale of this building is expected to complete this financial year.

#### **10. Investment Income Cr £118k**

Additional income of Cr £68k is expected for Yeoman House from the NHS CCG with regards to the Section 75 agreement and Cr £50k for Anerley Business Centre for the remaining tenancies due to the four month delay in transferring the lease to CPCDT. It should be noted that the income for Yeoman House is not expected to continue beyond 2016/17.

For the past few years, contributions have been made to reserves to create an Investment Fund. A substantial part of this Fund has been used to buy Investment Properties. The capital spend to date on the purchase of these properties is £72.8m of which £28.5m relates to properties in Bromley High Street. The 2016/17 budget for the expected income is £5.2m and the income achieved from the properties purchased to date is £4.02m. Although the expected deficit is £905k at this moment in time, there are a number of possible acquisitions that are currently being considered and it is therefore projected that the full income target will be met.

### **11. Other Rental Income - Other Portfolios Dr £89k**

There is a net shortfall of rental income of Dr £89k relating to Banbury House as it is empty, pending a sale going through.

#### **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:

1. A one-off tendering exercise for purchase of corporate vouchers for merit awards with an estimated value of £52k.
2. The continuation of 'as and when' loss adjusting services for the negotiation and settlement of insurance claims to the maximum value of £80k.
3. The continuation of existing ad hoc arrangements for the support of Insurance claims by current suppliers to the value of £100k per supplier over 2 years, maximum £50k per annum.

#### **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, none have been actioned.

## Allocation of Contingency Provision for 2016/17

| Item   | Original Contingency Provision | Allocations               |                                |                                       |                                      |     | Variation to Original Contingency Provision |
|--|--------------------------------|---------------------------|--------------------------------|---------------------------------------|--------------------------------------|-----|---|
|  |                                | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/Projected for Year |     |   |
|  | £                              | £                         | £                              | £                                     | £                                    |     | £   |
| <b>Renewal and Recreation</b>  |                                |                           |                                |                                       |                                      |     |   |
| Planning Appeals - change in legislation                             | 60,000                         |                           |                                | 60,000                                | 60,000                               |     | 0   |
| <b>General</b>   |                                |                           |                                |                                       |                                      |     |   |
| Provision for unallocated inflation                                  | 1,668,000                      | 30,000                    |                                | 1,638,000                             | 1,668,000                            | (1) | 0   |
| Impact of Chancellor's Summer Budget 2015 on future costs            | 4,250,000                      | 503,000                   |                                | 3,747,000                             | 4,250,000                            |     | 0   |
| Increase in Cost of Homelessness/Impact of Welfare Reforms           | 2,983,000                      |                           |                                | 2,983,000                             | 2,983,000                            |     | 0   |
| General provision for risk/uncertainty                               | 2,193,000                      |                           |                                | 2,193,000                             | 2,193,000                            |     | 0   |
| Provision for risk/uncertainty relating to volume and cost pressures | 2,182,000                      |                           |                                | 2,182,000                             | 2,182,000                            |     | 0   |
| Impact of conversion of schools to academies                         | 1,137,000                      |                           |                                | 1,137,000                             | 1,137,000                            |     | 0   |
| Retained Welfare Fund  | 450,000                        |                           |                                | 450,000                               | 450,000                              |     | 0   |
| Deprivation of Liberty   | 184,000                        |                           |                                | 184,000                               | 184,000                              |     | 0   |
| Growth for Waste Services  | 267,000                        |                           |                                | 267,000                               | 267,000                              |     | 0   |
| Grants to Voluntary Organisations - pump priming funding             | 275,000                        |                           |                                | 275,000                               | 275,000                              |     | 0   |
| Other Provisions   | 293,000                        |                           |                                | 293,000                               | 293,000                              |     | 0   |
| Acquisition of residential properties                                | Cr 457,000                     |                           |                                | Cr 457,000                            | Cr 457,000                           |     | 0   |
| HR/Finance impact of academy conversions                             | Cr 69,000                      |                           |                                | Cr 69,000                             | Cr 69,000                            |     | 0   |
| Care Act provision for additional costs                              | 750,000                        |                           |                                | 750,000                               | 750,000                              |     | 0   |
| Care Act Funding   | Cr 750,000                     | Cr 750,000                |                                | 0                                     | Cr 750,000                           | (1) | 0   |
|  | <b>15,416,000</b>              | <b>Cr 217,000</b>         | <b>0</b>                       | <b>15,633,000</b>                     | <b>15,416,000</b>                    |     | <b>0</b>                                    |
| <b>Grants included within Central Contingency Sum</b>                |                                |                           |                                |                                       |                                      |     |   |
| SEND Implementation Grant (New Burdens)                              |                                |                           |                                |                                       |                                      |     |   |
| Grant related expenditure  | 201,000                        |                           |                                | 201,000                               | 201,000                              | (2) | 0   |
| Grant related income   | Cr 201,000                     |                           |                                | Cr 201,000                            | Cr 201,000                           |     | 0   |
| Tackling Troubled Families Grant                                     |                                |                           |                                |                                       |                                      |     |   |
| Grant related expenditure  | 426,000                        |                           |                                | 426,000                               | 426,000                              |     | 0   |
| Grant related income   | Cr 426,000                     |                           |                                | Cr 426,000                            | Cr 426,000                           |     | 0   |
| Lead Local Flood Authorities   |                                |                           |                                |                                       |                                      |     |   |
| Grant related expenditure  | 213,000                        | 213,000                   |                                | 0                                     | 213,000                              |     | 0   |
|  |                                |                           |                                |                                       |                                      |     |   |
| <b>Total Grants</b>  | <b>213,000</b>                 | <b>213,000</b>            | <b>0</b>                       | <b>0</b>                              | <b>213,000</b>                       |     | <b>0</b>                                    |
| <b>TOTAL CARRIED FORWARD</b>   | <b>15,629,000</b>              | <b>Cr 4,000</b>           | <b>0</b>                       | <b>15,633,000</b>                     | <b>15,629,000</b>                    |     | <b>0</b>                                    |

## Notes:

- (1) Executive 13th January 2016  
(2) Executive 15th June 2016

**Allocation of Contingency Provision for 2016/17 (continued)**

| Item  | Carried Forward from 2015/16 | Allocations               |                                |                                       |                                       |     | Variation to Original Contingency Provision |
|---|------------------------------|---------------------------|--------------------------------|---------------------------------------|---------------------------------------|-----|---|
|   |                              | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/ Projected for Year |     |   |
|   | £                            | £                         | £                              | £                                     | £                                     |     | £   |
| <b>TOTAL BROUGHT FORWARD</b>                          | <b>15,629,000</b>            | <b>Cr 4,000</b>           | <b>0</b>                       | <b>15,633,000</b>                     | <b>15,629,000</b>                     |     | <b>0</b>                                    |
| <b>Items Carried Forward from 2015/16</b>             |                              |                           |                                |                                       |                                       |     |   |
| <b>Care Services</b>                                  |                              |                           |                                |                                       |                                       |     |   |
| Social Care Funding via the CCG under S256 agreements |                              |                           |                                |                                       |                                       |     |   |
| Adult Social Care Invest to Save Schemes              |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 48,170                       |                           | 48,170                         | 0                                     | 48,170                                | (1) | 0   |
| - income  | Cr 48,170                    |                           | Cr 48,170                      | 0                                     | Cr 48,170                             |     | 0   |
| Integration Funding - Better Care Fund                |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 300,000                      |                           | 300,000                        | 0                                     | 300,000                               | (1) | 0   |
| - income  | Cr 300,000                   |                           | Cr 300,000                     | 0                                     | Cr 300,000                            |     | 0   |
| Better Care Fund                                      |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 381,360                      |                           | 381,360                        | 0                                     | 381,360                               | (1) | 0   |
| - income  | Cr 381,360                   |                           | Cr 381,360                     | 0                                     | Cr 381,360                            |     | 0   |
| Winter Resilience Funding 2014/15 (Bromley CCG)       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 351,480                      |                           |                                | 351,480                               | 351,480                               |     | 0   |
| - income  | Cr 351,480                   |                           |                                | Cr 351,480                            | Cr 351,480                            |     | 0   |
| Winter Resilience Funding 2015/16 (Bromley CCG)       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 116,750                      |                           |                                | 116,750                               | 116,750                               |     | 0   |
| - income  | Cr 116,750                   |                           |                                | Cr 116,750                            | Cr 116,750                            |     | 0   |
| Helping People Home                                   |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 40,000                       |                           |                                | 40,000                                | 40,000                                |     | 0   |
| - income  | Cr 40,000                    |                           |                                | Cr 40,000                             | Cr 40,000                             |     | 0   |
| DCLG Preventing Homelessness Grant                    |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 200,000                      |                           |                                | 200,000                               | 200,000                               |     | 0   |
| - income  | Cr 200,000                   |                           |                                | Cr 200,000                            | Cr 200,000                            |     | 0   |
| Adoption Reform                                       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 132,323                      |                           | 132,323                        |                                       | 132,323                               | (1) | 0   |
| - income  | Cr 132,323                   |                           | Cr 132,323                     |                                       | Cr 132,323                            |     | 0   |
| Tackling Troubled Families                            |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 1,172,184                    |                           |                                | 1,172,184                             | 1,172,184                             |     | 0   |
| - income  | Cr 1,172,184                 |                           |                                | Cr 1,172,184                          | Cr 1,172,184                          |     | 0   |
| Step Up to Social Work                                |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 72,159                       |                           |                                | 72,159                                | 72,159                                |     | 0   |
| - income  | Cr 72,159                    |                           |                                | Cr 72,159                             | Cr 72,159                             |     | 0   |
| Public Health   |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 292,700                      |                           |                                | 292,700                               | 292,700                               |     | 0   |
| - income  | Cr 292,700                   |                           |                                | Cr 292,700                            | Cr 292,700                            |     | 0   |
| Implementing Welfare Reform Changes                   |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 56,640                       |                           |                                | 56,640                                | 56,640                                |     | 0   |
| - income  | Cr 56,640                    |                           |                                | Cr 56,640                             | Cr 56,640                             |     | 0   |
| <b>Renewal &amp; Recreation Portfolio</b>             |                              |                           |                                |                                       |                                       |     |   |
| New Homes Bonus - Town Centre Management              |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 41,687                       |                           | 41,687                         | 0                                     | 41,687                                | (2) | 0   |
| - income  | Cr 41,687                    |                           | Cr 41,687                      | 0                                     | Cr 41,687                             |     | 0   |
| New Homes Bonus - Regeneration                        |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 181,571                      |                           | 181,571                        |                                       | 181,571                               | (2) | 0   |
| - income  | Cr 181,571                   |                           | Cr 181,571                     |                                       | Cr 181,571                            |     | 0   |
| <b>Resources Portfolio</b>                            |                              |                           |                                |                                       |                                       |     |   |
| Individual Electoral Registration                     |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 72,609                       |                           | 72,609                         | 0                                     | 72,609                                | (5) | 0   |
| - income  | Cr 72,609                    |                           | Cr 72,609                      | 0                                     | Cr 72,609                             |     | 0   |
| New Debt Management System                            |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 177,000                      |                           | 177,000                        | 0                                     | 177,000                               | (5) | 0   |
| - income  | Cr 177,000                   |                           | Cr 177,000                     | 0                                     | Cr 177,000                            |     | 0   |
| <b>Education</b>                                      |                              |                           |                                |                                       |                                       |     |   |
| SEN Reform/Implementation Grant                       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 28,476                       |                           |                                | 28,476                                | 28,476                                |     | 0   |
| - income  | Cr 28,476                    |                           |                                | Cr 28,476                             | Cr 28,476                             |     | 0   |
| SEN Reform/Implementation Grant                       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 80,000                       |                           |                                | 80,000                                | 80,000                                |     | 0   |
| - income  | Cr 80,000                    |                           |                                | Cr 80,000                             | Cr 80,000                             |     | 0   |
| London SEND Regional Lead Grant                       |                              |                           |                                |                                       |                                       |     |   |
| - expenditure   | 15,000                       |                           |                                | 15,000                                | 15,000                                |     | 0   |
| - income  | Cr 15,000                    |                           |                                | Cr 15,000                             | Cr 15,000                             |     | 0   |

| Item   | Carried Forward from 2015/16 | Allocations               |                                |                                       |                                      |     | Variation to Original Contingency Provision |
|--|------------------------------|---------------------------|--------------------------------|---------------------------------------|--------------------------------------|-----|---|
|  |                              | Previously Approved Items | New Items Requested this Cycle | Items Projected for Remainder of Year | Total Allocations/Projected for Year |     |   |
|  | £                            | £                         | £                              | £                                     | £                                    |     | £   |
| Early Years Grant                                |                              |                           |                                |                                       |                                      |     |   |
| - expenditure                                    | 14,800                       |                           |                                | 14,800                                | 14,800                               |     | 0   |
| - income   | Cr 14,800                    |                           |                                | Cr 14,800                             | Cr 14,800                            |     | 0   |
| <b>Public Protection &amp; Safety</b>            |                              |                           |                                |                                       |                                      |     |   |
| Domestic Abuse                                   |                              |                           |                                |                                       |                                      |     |   |
| - expenditure                                    | 60,610                       |                           | 60,610                         | 0                                     | 60,610                               | (3) | 0   |
| - income   | Cr 60,610                    |                           | Cr 60,610                      | 0                                     | Cr 60,610                            |     | 0   |
| <b>Environment Portfolio</b>                     |                              |                           |                                |                                       |                                      |     |   |
| Drainage/Lead Flood Grant                        |                              |                           |                                |                                       |                                      |     |   |
| - expenditure                                    | 69,482                       |                           | 69,482                         | 0                                     | 69,482                               | (4) | 0   |
| - income   | Cr 69,482                    |                           | Cr 69,482                      | 0                                     | Cr 69,482                            |     | 0   |
| WEEE Grant                                       |                              |                           |                                |                                       |                                      |     |   |
| - expenditure                                    | 13,090                       |                           | 13,090                         | 0                                     | 13,090                               | (4) | 0   |
| - income   | Cr 13,090                    |                           | Cr 13,090                      | 0                                     | Cr 13,090                            |     | 0   |
| <b>General</b>                                   |                              |                           |                                |                                       |                                      |     |   |
| YOS Service Strategy Review                      | 97,000                       |                           |                                | 97,000                                | 97,000                               |     | 0   |
| Consultancy Support (Place Planning & Schools)   | 40,000                       |                           |                                | 40,000                                | 40,000                               |     | 0   |
| Parking - Automated Cameras - Bus Lanes          | 180,000                      |                           | 180,000                        | 0                                     | 180,000                              | (4) | 0   |
| Parking - Automated Cameras - Non Bus Lanes      | 126,000                      |                           | 126,000                        | 0                                     | 126,000                              | (4) | 0   |
| Local Plan Implementation                        | 47,322                       |                           | 47,322                         | 0                                     | 47,322                               | (2) | 0   |
| Biggin Hill Airport - Noise Action Plan          | 54,870                       |                           | 54,870                         | 0                                     | 54,870                               | (2) | 0   |
| Biggin Hill Memorial Museum                      | 47,400                       |                           | 47,400                         | 0                                     | 47,400                               | (2) | 0   |
| IT - BT Transition Costs                         | 77,000                       |                           | 77,000                         | 0                                     | 77,000                               | (5) | 0   |
| IT upgrade at Anerley Business Centre            | 30,000                       |                           | 30,000                         | 0                                     | 30,000                               | (5) | 0   |
| Transparency Agenda                              | 14,000                       |                           | 14,000                         | 0                                     | 14,000                               | (5) | 0   |
| Staff Merit Awards                               | 89,170                       |                           | 89,170                         | 0                                     | 89,170                               | (5) | 0   |
| Residential Property Acquisitions (SPV) - Advice | 291,000                      |                           | 291,000                        | 0                                     | 291,000                              | (5) | 0   |
| Civic Centre Development Strategy                | 257,500                      |                           |                                | 257,500                               | 257,500                              |     | 0   |
| Contracts Register/Summaries Database            | 50,000                       |                           | 50,000                         | 0                                     | 50,000                               | (5) | 0   |
|  | <b>1,401,262</b>             | <b>0</b>                  | <b>1,006,762</b>               | <b>394,500</b>                        | <b>1,401,262</b>                     |     | <b>0</b>                                    |
| <b>Total Carried Forward from 2015/16</b>        | <b>1,401,262</b>             | <b>0</b>                  | <b>1,006,762</b>               | <b>394,500</b>                        | <b>1,401,262</b>                     |     | <b>0</b>                                    |
| <b>GRAND TOTAL</b>                               | <b>17,030,262</b>            | <b>Cr 4,000</b>           | <b>1,006,762</b>               | <b>16,027,500</b>                     | <b>17,030,262</b>                    |     | <b>0</b>                                    |

**Notes:**

- (1) Care Services PDS Committee 28th June 2016
- (2) Renewal & Recreation PDS 5th July 2016
- (3) Public Protection & Safety PDS 29th June 2016
- (4) Environment PDS 7th June 2016
- (5) Executive & Resources PDS 7th July 2016

| Description   | 2016/17 Latest<br>Approved<br>Budget<br>£'000 | Variation To<br>2016/17<br>Budget<br>£'000 | Potential Impact in 2017/18   |
|---|---|--|---|
| Education Services Grant  | Cr 1,728                                      | 480  | The Education Services Grant (ESG) is allocated on the basis of pupil numbers, and the grant reduces in-year as schools convert to academies. The full year effect of the 10 conversions estimated to occur during 2016/17 is £550k, and will be included in the financial forecast for the 2017/18 budget.   |
| Housing Needs<br>- Temporary Accommodation                          | 6,354   | 0  | The full year effect of the projected overspend is currently anticipated to be a pressure of £796k in 2017/18. However, this only takes account of projected activity to the end of the financial year and does not include any projected further growth in numbers beyond that point.  |
| Assessment and Care Management - Care Placements                    | 18,373  | 453  | The full year impact of the current overspend is estimated at Dr £748k, mainly on domiciliary care packages.  |
| Learning Disabilities Care Management                               | 2,753   | 88   | The full year effect on client projections is estimated at £21k in relation to Domiciliary Care and Direct Payments budgets.  |
| Residential, Supported Living, Shared Lives - Learning Disabilities | 26,843  | 647  | The full year effect is estimated at an overspend of £814k which is slightly higher than the current year's overspend. This is because the forward assumptions are based on an increasing number of LD clients (clients expected to be placed in-year in 2016/17 will only have a part year cost in 2016/17 but a full year cost in 2017/18). Given the early stage in the financial year this figure is likely to vary as the year progresses. |
| Supporting People   | 1,051   | 0  | There is anticipated to be an underspend of £72k in a full year. This is a result of estimated savings arising from tendering activity in 2016/17.  |
| Further 2016/17 efficiency savings                                  | Cr 500  | 450  | General efficiency savings of £500k were allocated to ECHS Department as part of the 2016/17 budget process. It is anticipated that £50k savings can be realised from contract efficiencies within the Commissioning Division but, at this early stage in the year, plans to achieve the balance are still to be identified resulting in a FYE overspend of £450k.  |
| Children's Social Care  | 26,474  | 1,726                                      | The current full year effect impact for CSC is estimated at £2,280k. This can be analysed as Dr £1,731k on placements, Cr £70k for no recourse to public funds clients, Dr £335k on leaving care clients and Dr £284k on Care Proceedings (Public Law Outline)  |
| Customer Services   | 1,007   | 36   | 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.  |
| Investment & Non-Operational Property                               | 104   | Cr 77                                      | An ongoing underspend of Cr £100k 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.  |