

Renewal and Recreation Budget Monitoring Summary

2015/16 Actuals £'000	Division Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
	Planning							
Cr 19	Building Control	69	69	Cr 3	Cr 72	1	Cr 55	0
Cr 168	Land Charges	Cr 131	Cr 131	Cr 144	Cr 13	2	Cr 7	0
589	Planning	671	645	812	167	3	35	0
1,568	Renewal	1,888	1,931	1,564	Cr 367		Cr 300	0
1,970		2,497	2,514	2,229	Cr 285		Cr 327	0
	Recreation							
2,192	Culture	1,710	1,698	1,732	34	5	16	0
4,610	Libraries	4,495	4,748	4,737	Cr 11	6	Cr 7	0
263	Town Centre Management & Business Support	251	293	263	Cr 30	7	Cr 35	0
7,065		6,456	6,739	6,732	Cr 7		Cr 26	0
9,035	Total Controllable R&R Portfolio	8,953	9,253	8,961	Cr 292		Cr 353	0
Cr 13,572	TOTAL NON CONTROLLABLE	2,353	5,855	5,855	0		Cr 35	0
2,281	TOTAL EXCLUDED RECHARGES	1,958	2,088	2,088	0		0	0
Cr 2,256	PORTFOLIO TOTAL	13,264	17,196	16,904	Cr 292		Cr 388	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2016/17

13,264

Local Implementation Plan	47
Biggin Hill Memorial Museum	47
Biggin Hill Noise Action Plan	55
New Home Bonus expenditure for Regeneration	182
New Home Bonus expenditure for TCM	42
Transfer Renewal budget to Commissioning	Cr 62
Salary from Culture to Commissioning	Cr 58
Drawdown from Central Contingency (Libraries saving)	250
Merit Awards	17

Latest Approved Budget for 2016/17

13,784

Memorandum Items

Capital Charges 5802	-863
Deferred Charges (REFCUS) 5804	2216
Impairment 5806	1899
Gov Grants Deferred 5807	-109
Insurance	-258
Rent Income	-28
Repairs & Maintenance	45
IAS19 (FRS17)	599
Excluded Recharges	-89
Reported Latest Approved Budget for 2016/17	17,196

REASONS FOR VARIATIONS**1. Building Control Cr £72k**

Within the chargeable account for Building Control, there was an income deficit of £82k. This was more than offset by an underspend within salaries of £142k arising from reduced hours being worked and vacancies. In accordance with Building Account Regulations, the net surplus for 2016/17 of £52k has been carried forward into 2017/18 via the earmarked reserve for the Building Control Charging Account. The cumulative balance on this account is therefore now £182k, taking into consideration the opening balance of £130k at the start of 2016/17.

Within the non-chargeable service, as a result of delays in appointing to vacant posts, there was an underspend of £65k on staffing and a minor overspend of £1k on supplies and services.

2. Land Charges Cr £13k

There was an underspend of £13k mainly due to vacant posts.

3. Planning Dr £167k

Income from non-major planning applications was £146k above budget for 2016/17. For information, actual income received in 2016/17 was £62k higher than for the previous year, largely due to improving economic conditions.

For major applications, £316k was received in 2016/17 which was £16k above budget. Actual income was £7k less than that received for 2015/16.

Surplus income £52k was achieved from pre-application meetings due to higher than budgeted activity levels. For information, this was £2k more than the income received in 2015/16.

Additional income of Cr £32k was achieved within the street naming & numbering service, which was £2k less than that received in the previous year.

Other income was £38k above budget, mainly from the administration top-slice from the CIL monies collected. These monies are used to fund the administration and monitoring of CIL applications.

Additional staffing costs of £134k have been incurred. £102k for planning officers and £32k for planning enforcement staff. This was due to the recruitment of additional temporary staff in order to assist with the current increase in volumes of planning applications and enforcement. These costs have been funded from the additional income.

On average an amount of £2m per annum is invoiced relating to developments with CIL liability within Bromley, on behalf of the Mayor of London. 4% of which is retained to meet the costs of the administration of the CIL. A limited number of cases not originally identified as CIL liable have commenced construction during the last two years, affecting their eligibility to claim exemption to the Levy. Therefore there is the possibility that due to delays, the Council may be required to make payment of up to £171k to TfL. A provision of £171k has therefore been set aside from the 2016/17 revenue account.

As a direct result of losing planning appeals, a net provision has been made for potential costs relating to claims of compensation of £65k.

Additional costs of £78k have been incurred for specialist consultancy advice on planning applications for agriculture and ecology matters, as well as for planning appeals including two major appeals for Conquest House and Flamingo Park. These costs have been funded from additional income.

Other minor variations across the service total Dr £3k.

Summary of variations within Planning:

		£'000
Surplus income from non-major applications	Cr	146
Surplus income from major applications	Cr	16
Surplus pre-application income	Cr	52
Surplus income from street re-naming	Cr	32
Other miscellaneous income	Cr	38
Additional temporary planning staff		102
Additional temporary planning enforcement staff		32
Provision for potential CIL monies owed		171
Appeal costs		65
Consultants costs		78
Other minor variations		3
Total variation for planning		<u>167</u>

4. Renewal Cr £367k

The Town Centre Development Works funded by New Homes Bonus are underspent by £306k and therefore a carry forward request will be made in order to enable the outstanding works to be completed in 2017/18. Formal GLA approval has been obtained for the new profile of spend.

Of the £47k carried-forward from 2016/17 for the Local Plan Implementation, only £10k was spent, and therefore a further carry-forward request will be made at year-end so that the costs of the Examination in Public can be met in 2017/18.

Other minor variations across staffing and running expenses total Cr £24k.

Summary of variations within Renewal:	£'000	
Underspend related to NHB top slice funded work (c/forward request))	Cr	306
Local Plan Implementation (c/forward request to be made to June Exec)	Cr	37
Other minor variations (staffing & running costs)	Cr	24
Total variation for Renewal	Cr	367

5. Culture Dr £34k

There was an overspend of £34k for Culture. £6k of this was for the increase in inflation of 1.3% for the Mytime grant which was above the 0.5% inflation added to the budget. The balance of £28k relates to an overspend on staffing and equipment.

6. Libraries Cr £11k

Shortfall of income of £60k in total. This comprises of a deficit of £14k on income from library fines, a deficit of £37k from activities in libraries, and a deficit of £9k from hall/room lettings. Year on year customers are borrowing fewer items overall which is having an adverse effect on income budgets.

There was an overall underspend of £53k for staffing which was due to a combination of strike action and part year vacancies.

Other minor variations across the service total Cr £18k.

Summary of variations within Libraries:	£'000	
Shortfall of income		60
Underspend on staffing	Cr	53
Other variations (transport, premises & running costs)	Cr	18
Total variation for Libraries	Cr	11

7. Town Centre Management & Business Support Cr £30k

Following the change of focus of the regeneration plan and the change in contractor to Cushman and Wakefield, there was an underspend of Cr £24k on the Orpington town centre scheme which was funded from the New Homes Bonus. A request will be submitted to the Executive to carry forward this amount in order to complete the specific projects. The GLA has agreed the extension of the projects.

There was an overspend of Dr £11k on staffing due to the delay in the deletion of the Town Centre Management post. This was more than offset by additional income of £15k received for promotional space and a net underspend of £2k on supplies and services.

Summary of variations within TCM:	£'000	
Underspend on Orpington TC scheme (carry forward request)	Cr	24
Staffing		11
Additional income	Cr	15
Underspend on supplies and services	Cr	2
Total variation for TCM	Cr	30

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) £59k cumulative contract value for internet magazine and newspaper subscriptions for the library service. Extension for one year.
- 2) £110k cumulative contract value for Audio books, eMagazines and Comics Plus subscriptions for the library service. Extension for one year.

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.