

Decision Maker: Public Protection and Safety Portfolio Holder

**For Pre-decision scrutiny by the Public Protection & Safety
PDS Committee on**

Date: 21st November 2017

Decision Type: Non-Urgent Non-Key

Title: BUDGET MONITORING 2017/18

Contact Officer: Claire Martin, Head of Finance
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Chief Officer: Nigel Davies, Executive Director of Environmental and Community Services

Ward: Boroughwide

1. Reason for report

This report provides an update of the latest budget monitoring position for 2017/18 for the Public Protection and Safety Portfolio based on expenditure and activity levels up to 30 September 2017. This shows an over spend of £30k.

2. **RECOMMENDATION(S)**

2.1 The Portfolio Holder is requested to:

2.1.1 Endorse the latest 2017/18 budget projection for the Public Protection and Safety Portfolio.

Impact on Vulnerable Adults and Children

1. Summary of Impact: None directly from this report.
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Corporate Policy

1. Policy Status: Existing Policy: Sound financial management
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Public Protection & Safety Portfolio Budget
 4. Total current budget for this head: £2.5m
 5. Source of funding: Existing revenue budgets 2017/18
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Staff

1. Number of staff (current and additional): 48.8 ftes
 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 1996; the Local Government Act 2000 and the Local Government Act 2002
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: None directly from this report.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The services covered in this report affect all Council Taxpayers, Business Ratepayers, those who owe general income to the Council, all staff, Members and Pensioners.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The 2017/18 projected outturn is detailed in Appendix 1, with a forecast of projected spend for each division compared to the latest approved budget and identifies in full the reason for any variances.
- 3.2 Costs attributable to individual services have been classified as “controllable” and “non-controllable” in Appendix 1. Budget holders have full responsibility for those budgets classified as “controllable” as any variations relate to those factors over which the budget holder has, in general, direct control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as “non-controllable” within services but “controllable” within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations relating to portfolios in considering financial performance. These variations will include the costs related to the recession.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The 2017/18 budget reflects the financial impact of the Council’s strategies and service plans which impact on all of the Council’s customers and users of our services.

5. POLICY IMPLICATIONS

- 5.1 “Building a Better Bromley” refers to the Council’s intention to remain amongst the lowest Council Tax levels in Outer London and the importance of greater focus on priorities.
- 5.2 The “2017/18 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that budgetary control continues to be exercised in 2017/18 to minimise the risk of compounding financial pressures in future years.
- 5.3 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council’s budgetary control and monitoring arrangements.

6. FINANCIAL IMPLICATIONS

- 6.1 The latest projections from managers show that there is a projected over spend of £30k expected for the Public Protection and Safety Portfolio for 2017/18 based on financial information available to 30 September 2017. Within this projection there are variations which are detailed in Appendix 1 and summarised below: -
- 6.2 Recent information provided by LB Croydon for the expected costs of the Coroners Service have meant that an over spend of £121k is expected for 2017/18. This cost is partly offset by an under spend of £35k from the Mortuary contract due to lower charges than the previous contract as well as the release of a £40k provision which is no longer required.
- 6.3 The net increase in costs for the Coroners service in future years is expected to be at least £100k based on the latest information available from the LB of Croydon. Officers will be meeting with Croydon to substantiate the figures and the final figures will be reported back to Members.
- 6.4 Other variances include an underspend of £16k as a result of part year vacancies.

6.5 The table below summarises the main variances: -

Summary of Main Variances	£'000
Coroners Service	121
Mortuary Service	Cr 35
Release of provision no longer required	Cr 40
Staff vacancies	Cr 16
	<u>30</u>

Non-Applicable Sections:	Legal, Procurement and Personnel Implications
Background Documents: (Access via Contact Officer)	2017/18 budget monitoring files within ECS finance section