

GENERAL FUND - PROJECTED OUTTURN FOR 2017/18

Portfolio	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Latest Approved Budget £'000	2017/18 Projected Outturn £'000	Variation £'000	Variation previously reported to Exec 19/07/17 £'000
Care Services	68,272	1,424	69,696	69,757	61	990
Education & Children's Services (incl. Schools' Budget)	37,359	476	37,835	38,483	648	627
Environment	29,179	381	29,560	29,029	Cr 531	Cr 22
Public Protection & Safety	1,963	159	2,122	2,152	30	66
Renewal & Recreation	7,693	1,740	9,433	9,433	0	0
Resources	45,265	673	45,938	45,951	13	Cr 38
Total Controllable Budgets	189,731	4,853	194,584	194,805	221	1,623
Capital, Insurance & Pensions Costs (see note 2)	11,244	0	11,244	11,244	0	0
Non General Fund Recharges	Cr 730	0	Cr 730	Cr 730	0	0
Total Portfolios (see note 1)	200,245	4,853	205,098	205,319	221	1,623
Central Items:						
Income from Investment Properties	Cr 9,854	0	Cr 9,854	Cr 9,813	41	Cr 100
Interest on General Fund Balances	Cr 2,891	0	Cr 2,891	Cr 3,391	Cr 500	Cr 100
Total Investment Income	Cr 12,745	0	Cr 12,745	Cr 13,204	Cr 459	Cr 200
Contingency Provision (see Appendix 3)	14,957	Cr 7,464	7,493	7,442	Cr 51	0
Other central items						
Reversal of net Capital Charges (see note 2)	Cr 9,901	0	Cr 9,901	Cr 9,901	0	0
Contribution to Transition and Other Funds	2,552	0	2,552	2,552	0	0
Contribution to Investment Fund	0	3,500	3,500	3,500	0	0
Utilisation of Prior Year Collection Fund Surplus	6,401	0	6,401	6,401	0	0
New Homes Bonus Support for Revenue	2,256	0	2,256	2,256	0	0
Levies	1,321	0	1,321	1,321	0	0
Total other central items	2,629	3,500	6,129	6,129	0	0
Total all central items	4,841	Cr 3,964	877	367	Cr 510	Cr 200
Bromley's Requirement before balances	205,086	889	205,975	205,686	Cr 289	1,423
Carry Forwards from 2016/17 (see note 3)	0	Cr 447	Cr 447	0	447	447
Carry Forward from 2016/17 (R&M)	0	Cr 113	Cr 113	0	113	113
Adjustment to Balances	0	0	0	Cr 271	Cr 271	Cr 1,983
Revenue Support Grant	Cr 10,855	329	Cr 10,855	Cr 10,855	0	0
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 36,505	0	Cr 36,505	Cr 36,505	0	0
New Homes Bonus	Cr 6,096	0	Cr 6,096	Cr 6,096	0	0
New Homes Bonus Topslice	0	Cr 329	Cr 329	Cr 329	0	0
Transition Grant	Cr 2,052	0	Cr 2,052	Cr 2,052	0	0
Collection Fund Surplus	Cr 6,401	0	Cr 6,401	Cr 6,401	0	0
Bromley's Requirement	143,177	0	143,177	143,177	0	0
GLA Precept	35,989	0	35,989	35,989	0	0
Council Tax Requirement	179,166	0	179,166	179,166	0	0

# Budget Variations allocated to portfolios in year consists of:	£'000
1) Carry forwards from 2016/17 (see note 3)	560
2) Allocations from the central contingency provision (see Appendix 4)	7,793
	<u>8,353</u>

1) **NOTES**

Portfolio Latest Approved Budgets analysed over Departments as follows:

	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Latest Approved Budget £'000	2017/18 Projected Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	120,534	1,397	121,931	122,643	712	1,626
Environment & Community Services	54,785	3,022	57,807	57,168	Cr 639	Cr 100
Chief Executive's Department	24,926	434	25,360	25,508	148	97
	200,245	4,853	205,098	205,319	221	1,623

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 2016/17**

Carry forwards from 2016/17 into 2017/18 totalling £560k 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 2016/17" report.

1 Comments from the Deputy Chief Executive and Executive Director of Education, Care and Health Services Department

Care Services Portfolio

- 1.1 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 are a challenge in most areas where demand for services is increasing. We continue to scrutinise and review all applications for care and support, and have plans in place to review all care packages to ensure our vulnerable residents are appropriately cared for with the best use of resources.
- 1.2 We continue to see much more complexity in users' needs as they come through to us later in their journeys. We have much more work to do in reviewing high cost placements, ceiling rates and assessments whilst working to manage parental expectations within Learning Disabilities. The department will be working to look at other efficiency plans that may require policy change, and have in place member agreement to use the IBCF to develop workforce and provider market initiatives for us to better understand the needs of our population and the impact on care and support.
- 1.3 Commissioning activity continues to secure value for money through contract negotiations making a significant contribution to the savings targets.
- 1.4 In Housing there is continued monitoring to ensure that the Mears property acquisition performs in line with the target numbers set. Approval has been given to progress to tender for a modular homes site. The early intervention team is now up and running to slow down the rate of placements. This work is currently bringing the numbers back down to the level of increase previously predicted. However in light of the continued roll out of universal credit and introduction of the Homeless Reduction Act, as previously reported it is expected that numbers will increase further in the new year. The full impact of the new duties under the Homelessness Act is currently under assessment following the release of the draft code of guidance and will be reported to the executive in December.
- 1.5 On one of the travellers sites further court dates have been set for December as we need to address a number of unauthorised occupants. Work is ongoing via Amey to assess potential refurbishment options to reduce current utility costs.
- 1.6 Work is being undertaken, led by the Deputy Chief Executive and Executive Director of ECH&S and an action plan has been developed working on a multi-agency basis to resolve the issues. However analysis is currently being undertaken regarding options for refurbishment of the site to install metered utilities and address a number of repairing issues to enable full utilisation of all pitches and reduce ongoing maintenance costs. The full business case will be reported back once this work has been completed.

1.7 Analysis of Risks

The risks in the Care Services Portfolio are:-

- i) impact of the National Living Wage across Care Services and the impact on contracts
- ii) increased complexity of clients coming through the system
- iii) increasing number of clients coming through the system
- iv) increased homelessness and the associated costs
- v) introduction of the Homeless Reduction Act
- vi) increased rent arrears arising from the rollout of Universal Credit in 2018/19

Education & Children's Services

- 1.8 In Children's Social care we are continuing to interview permanent staff and the ambition is by December we will have around 10% locum staff in place. A recruitment drive over the spring/ summer period has resulted in permanent staff being appointed and in the pipeline with waiting notice periods being undertaken. In addition we have been successful in converting 15 locum staff to permanent. At the beginning of the year there was only 42% permanent staff and with the work undertaken this should result in a significant increase to around 80%.
- 1.9 In addition we are ensuring that locum staff take 4 weeks leave every year which further reduces the agency cost. We are ensuring that there is a gap in terms of staff leaving and recruiting and this will support the focus on the budget. We have been very determined in Bromley we would only recruit high calibre skilled staff to work with our children and we continue with this ambition. During our Ofsted monitoring visits this has been borne out by the improvement we are making and the quality of staff and improvement in practice and outcomes for children. We are beginning another round of recruitment drives and in addition a further locum conversion event.
- 1.10 In Leaving Care the 18+ panel has been established to consider the cost of placements for this age group, we have seen reductions in the cost of placements in this cohort but equally ensuring that such placements are of good quality and support available. Our colleagues in housing are part of this panel and going forward housing benefit is being claimed. Historically there has not been such rigour around this and we are visiting the legacy cases to ensure we can reduce the historic overspend and housing benefit is claimed as appropriate. The officer in the leaving care team has worked with certain providers and has negotiated a reduction in fees for this cohort of young people. There is a stronger more developed framework around providers through the housing action plan and commissioning; assessing late entrants through the MASH and in cooperation with housing assessments and Family Group Conferencing. The on stream beds with De Paul which can take 16+ for 8 weeks for assessment are preventing some young people going outside the borough.
- 1.11 Staying Put is increasing within the service and this is a very positive outcome for our children but will need to be considered as growth within base budgets going forward, there have been no predictions for this in the past as growth area. In addition with the recent Social Work Act we will be responsible for young people up to the age of 25 and this will add a further unforeseen impact.

- 1.12 We continue to monitor placements through the weekly Placement Panel. The number of complex and challenging young people continues to require specialist placements. In addition there is a lack of secure placements for young people who would meet the threshold but where there is no bed available. We are aware for every bed vacant there is a large number of referrals from across all Local Authorities. This is an area that is being raised at national level. The outcome of this is that young people are therefore requiring not only more specialised placements but required 2 or 3 to 1 staffing which greatly inflates the costs – resulting in being around £1,000 or more per week than a secure bed at the cost of around £6,500. In addition London Care Placements have requested increase in costs of placement by certain provider to around 8.9% and 3.9% for IFA's overall which is an example of market pressure and demand. Some costs are negotiated for less for those providers inside this agreement but other providers primarily outside London are not affiliated. There is likely to be a further rise of around 3% in the forthcoming year – these costs cannot be controlled by the Local Authority.
- 1.13 We have reviewed our children subject to S20 and any rehabilitation plans and 9 children have been returned home this year safely to parents. We continue to review all high cost placements regularly to ensure that they are meeting the needs of the children but that where possible we are returning children to resources within the borough.
- 1.14 We have received some additional CCG funding but also continue to review and concentrate on 'fair' funding with our CCG colleagues around our complex and challenging young people especially the risks and impact on their mental health and wellbeing. . We have reviewed our fostering service and how we improve the number of foster carers; how placements are used and the training that can be given to encourage them to support our young people in Bromley. We have already identified a small number of foster carers who are keen to become mother and baby placements – this carries a high risk factor and training and support is needed. However if this is achieved our children will be local to us; they will be assessed in their community and the cost of residential placements which can be in excess of £50,000 for a 12 week assessment reduced. We are also looking with Bromley College to recruit, train, support and reward those carers who are skilled to support our more challenging young people.
- 1.15 We have reviewed those children with our education colleagues who are now equally funding those children in residential placements receiving education. The majority of Education DSG funded budgets come from the high needs block and overall are showing an underspend. Where overspends have been identified these have been covered off by underspends in other areas where possible. However there are future pressures manifesting themselves in the High Needs Block of the DSG where it is predicted that there will be significant pressures over the next few years due to growing demands without the necessary increases in funding. The current root and branch review of the high needs block should help to mitigate such pressures. However, it must be remembered that some of the budgets, particularly SEN transport and placements, are 'on demand' budgets which cannot always be accurately forecast.

- 1.16 There is a requirement for all existing statement of special educational needs (SEN) plans to be transferred to the new ECHP plan by 31 March 2018. Additional budget of £115,000 is required to enable the SEN Team bring in additional staff to complete these assessments in order to meet our statutory obligations and duties. The Deputy Chief Executive received a formal letter from the Department of Education seeking assurances that we will meet the key target date of 31 March 2018. A formal letter was also received by the Bromley Parents Forum seeking assurances that these plans will be transferred by the stipulated deadline.
- 1.17 Funding to support costs in CAMHS has been identified from the Better Care Fund (BCF) of £125k for both 2017/18 and 2018/19. This will offset costs being incurred in this area. It is recommended that the Executive agree to the transfer of these funds from BCF.

1.18 Analysis of Risks

The risk in the Education and Children's Services Portfolio are:

- i) loss of permanent staff/inability to recruit permanent staff/recruitment and retention of social workers
- ii) limited supply and increasing costs of residential placements
- iii) increased complexity of children
- iv) impact of Social Work Act 2017
- v) income from partners reducing
- vi) school place issues
- vii) introduction of the National Funding Formula and the impact on schools/local authority

2 **Comments from the Director of Corporate Services (Resources Portfolio)**

- 2.1 Caseloads in children's services continue at a higher level than has previously been the case. Normal caseloads have historically been c 48 new cases per annum. In 2016/17, 98 sets of proceedings were issued and for 2017/18 it is projected that 80 sets of proceedings will be issued. Cases issued already this year stand at 37 for the first six months (April- September) and one case was particularly complex, involving a family with 6 children which has to date incurred costs of £26k. A court fee of £2,025 is payable on each case which means that if an additional 32 cases are issued there will be a cost of £64,800. In addition there are fees for instructions of experts (£150 per application) and for placement orders where the care plan is adoption (£455 per family). There has also been a growth of cases where translation services are required (currently representing c20% of cases) and costs are being incurred for translation of documents, and additional hearings.
- 2.2 As part of the Phase 3 additional funding for the implementation of the Children's Service improvements, £60k was agreed by the Executive on 10th January 2017 for an additional Legal post. Childcare cases typically take between 3-9 months to conclude and therefore there is an ongoing cost pressure from cases which were issued in 2016/17 which were not concluded in that year, and this has been exacerbated by the continuing high level of new instructions. As was reported previously, vacancies in the team have been filled with 3 new lawyers with advocacy experience.

They are now in place and are focusing on new instructions as it is often a more efficient use of resources to use Counsel to conclude cases they are already working on. Reverting to the use of in-house staff for advocacy will gradually reduce spend on Counsel costs, however work required to issue the additional proceedings does impact on capacity in this area. As occurred in 2016/17, there may be some additional income to mitigate the overspend (although it is too early to say this with certainty) but there is not presently scope to make savings elsewhere in the service. The reality is that given the significant and ongoing increase in case load it is unrealistic to expect the service to be delivered within budget in the short term.

3 Comments from the Executive Director of Environment and Community Services (Environment Portfolio)

- 3.1 The Environment Portfolio has a net underspend of £531k for 2017/18. This is mainly from two areas - Waste (£272k) and Parking (£171k). Other net variances across the Portfolio total Cr £88k.
- 3.2 The variances in waste are for defaults, waste disposal costs, green garden waste service and recycling material income. Waste tonnages are unpredictable and therefore the variances may not continue in future years.
- 3.3 The net variances in parking are mainly due to a net increase in enforcement contraventions and on street parking offset by a shortfall of income from off street parking. It is expected that the level of compliance will increase and the current level is unlikely to be maintained in future years.

3.4 Analysis of Risks

3.4.1 Environment Portfolio

The main financial risk will be the likely increase in prices for the environment contracts, particularly on the Waste service, which will take effect from 1 April 2019 and is likely to be in excess of £2m. Another potential risk area is recycling paper income. Wet weather could affect the quality of the paper and therefore could lead to an issue with the processing of it as 'paper' and a loss of income.

There is always a risk in Parking from the fluctuations in both Enforcement income and income from On and Off Street Parking, but this is difficult to quantify. Income on street works defaults is currently at a reduced level due to a higher level of compliance and so needs to be monitored going forward.

Although no variation is currently projected for the Tree budget, due to the usual risk around storm damage which impacts on the Trees budget, this is a potential risk area. The actual impact is dependent on the weather and the number of trees affected.

3.4.2 Renewal & Recreation Portfolio

A substantial part of Planning Services' work attracts a fee income for the Council, for example the planning application fees. The fee income and volume of work reflects the wider economic circumstances affecting development pressures in the Borough. There is a risk of income variation beyond the Council's immediate control; however trends are regularly monitored in order that appropriate action can be taken.

Action has been taken to avoid the risk of Government Designation for Special Measures due to performance and quality of decision making, in spite of high volumes of work. This has reduced the risk of Designation and will be monitored.

A recent Audit of Community Infrastructure Levy processes showed a risk in the full collection of CIL contributions. Agreed remedial action is either completed or underway.

There is a risk of substantial planning appeal costs being awarded against the Council by the Planning Inspectorate if the Council is found to have acted unreasonably.

3.4.3 Public Protection & Safety Portfolio

Any high profile inquests or significant increase in volume of cases could further increase the cost of the Coroners service.

Care Services Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Division Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Adult Social Care								
22,012	Assessment and Care Management DOLS funding held in contingency Management action	21,477	22,599	23,741 Cr 118	1,142 Cr 118	1	1,515 Cr 118	1,525 Cr 118
1,119	Direct Services	1,073	422	425 Cr 170	3 Cr 170		0 Cr 500	0 Cr 340
1,258	Commissioning & Service Delivery	548	0	0	0		0	0
31,032	Learning Disabilities Planned LD savings from management action	30,875	31,138	31,971 Cr 145	833 Cr 145	2	1,041 Cr 600	2,234 Cr 446
5,588	Mental Health Planned MH savings from management action	6,063	5,938	6,141 Cr 50	203 Cr 50		0 Cr 50	268 Cr 100
Cr 472	Better Care Funding - Protection of Social Care	0	0	Cr 527	Cr 527	4	Cr 310	0
0	Better Care Fund / Improved Better Care Fund	0	0	Cr 935	Cr 935	5		Cr 629
60,537		60,036	60,097	60,333	236		978	2,394
Operational Housing								
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 2,018	Housing Benefits	Cr 1,945	Cr 1,945	Cr 1,945	0		0	0
7,128	Housing Needs	6,299	6,609	6,779	170	6	98	88
1,107	Supporting People	1,072	1,072	986	Cr 86	7	Cr 86	Cr 65
6,217		5,425	5,735	5,819	84		12	23
Programmes								
206	Programmes Team	343	1,383	1,300	Cr 83	8	0	0
2,064	Information & Early Intervention - Net Expenditure	2,960	3,675	3,298	Cr 377		Cr 160	0
Cr 2,064	- Recharge to Better Care Fund Better Care Fund	Cr 2,960	Cr 3,756	Cr 3,379	377	160	0	0
20,010	- Expenditure	20,428	20,585	20,585	0		0	0
Cr 20,154	- Income	Cr 20,589	Cr 20,746	Cr 20,746	0		0	0
0	Improved Better Care Fund - Expenditure	0	4,184	4,184	0		0	0
0	- Income	0	Cr 4,184	Cr 4,184	0		0	0
320	NHS Support for Social Care - Expenditure	0	1,528	1,528	0		0	0
Cr 320	- Income	0	Cr 1,528	Cr 1,528	0		0	0
62		182	1,141	1,058	Cr 83		0	0
Strategic & Business Support Services								
261	Learning & Development	267	299	299	0	9	0	0
2,000	Strategic & Business Support	2,156	2,218	2,042	Cr 176		0	0
2,261		2,423	2,517	2,341	Cr 176		0	0
Public Health								
15,159	Public Health	15,103	15,103	15,059	Cr 44		0	0
Cr 15,478	Public Health - Grant Income	Cr 15,096	Cr 15,096	Cr 15,052	44		0	0
Cr 319		7	7	7	0		0	0
68,758	TOTAL CONTROLLABLE ECHS DEPT	68,073	69,497	69,558	61		990	2,417
Cr 581	TOTAL NON CONTROLLABLE	360	365	372	7		9	0
6,283	TOTAL EXCLUDED RECHARGES	6,285	6,052	6,052	0		0	0
74,460	TOTAL ECHS DEPARTMENT	74,718	75,914	75,982	68		999	2,417
Environmental Services Dept - Housing								
213	Housing Improvement	199	199	199	0		0	0
213	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	199	199	199	0		0	0
Cr 1,149	TOTAL NON CONTROLLABLE	Cr 828	Cr 828	Cr 828	0		0	0
290	TOTAL EXCLUDED RECHARGES	360	360	360	0		0	0
Cr 646	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 269	Cr 269	Cr 269	0		0	0
73,814	TOTAL CARE SERVICES PORTFOLIO	74,449	75,645	75,713	68		999	2,417

Reconciliation of Latest Approved Budget	£'000
2017/18 Original Budget	74,449
Carry Forwards:	
Social Care Funding via the CCG under s75 agreements	
Integration Funding - Better Care Fund	
- expenditure	28
- income	Cr 28
Better Care Fund - GoodGym	
- expenditure	25
- income	Cr 25
Better Care Fund	
- expenditure	132
- income	Cr 132
Fire Safety Grant	
- expenditure	57
- income	Cr 57
DCLG Preventing Homelessness Grant	
- expenditure	153
- income	Cr 153
Community Housing Fund Grant	
- expenditure	62
- income	Cr 62
Implementing Welfare Reform Changes	
- expenditure	56
- income	Cr 56
Helping People Home Grant	
- expenditure	40
- income	Cr 40
Other:	
National Living Wage	912
Homelessness Early Intervention and Visiting	310
Water treatment works	5
Contract monitoring resources transferred to Resources Portfolio	Cr 31
Improved Better Care Fund	
- expenditure	4,184
- income	Cr 4,184
Latest Approved Budget for 2017/18	<u><u>75,645</u></u>

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £854k**

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

	<u>Current</u>
	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	382
- Savings included in 17/18 budget	500
- management action to achieve 17/18 savings	Cr 170
- Domiciliary Care / Direct Payments	<u>283</u>
	<u>995</u>
Services for 18 - 64	
- Placements	127
- Domiciliary Care / Direct Payments	<u>30</u>
	<u>157</u>
Other Services	
- Adult Transport	Cr 31
- Day Care	Cr 147
- Other budgets	<u>Cr 120</u>
	<u>Cr 298</u>
	<u>854</u>

The budget for 2017/18 included total savings of £782k in relation to Assessment & Care Management. Overall the service is currently projecting an overspend of £854k, including an assumption that savings of £170k are made during the remainder of the year. If these are not fully achievable then the overspend currently projected will increase. Cost's in this service are extremely volatile, and include significant budgets relating to client contributions which can change significantly during the year.

Services for 65+ - Dr £995k

Services for the 65's and over age group has the biggest budget pressure with both residential and community placements currently projecting an overspend. Numbers in both residential and nursing care are currently 31 above the budget number of 389. This is no overall change to the numbers reported for July. There is currently a projected overspend of £382k on these budgets, an increase of £8k since July. The budget has been profiled to take account of the £500k saving required this year, with a reduction in budgeted placement numbers during the year of 50 from 389 in April to 339 in March required to achieve the saving. As actual numbers are still above the budget level, none of this saving has yet been achieved resulting in the management action of £500k being reduced to £170k for the period from October 2017 to March 2018 and the difference of £330k is now being reported as an overspend.

Budgets for domiciliary care continue to see a pressure, although a reduction in the overspend position by £97k is reported this month . An overspend of £309k is now being projected with actual net expenditure currently running at approximately £7k above the budget provision of £79k per week . Direct payments continue to underspend , although this has reduced from a £47k underspend to a £26k underspend this period.

Services for 18 - 64 year olds - Dr £157k

Placements for the 18 - 64 age group are projected to be overspent by £127k, a reduction of £10k since July. There has been no change to overall client numbers since July and they remain at 7 above the budget number of 42.

Included in the projection is an assumption around income from Lewisham CCG being received for a service user of £40k. At this stage however it should be noted that this income is not certain and should we not be successful in securing this funding then there is a risk of additional expenditure of £40k on this budget.

Domiciliary care and direct payments are currently projecting an overspend of £30k , which is an increase of £62k since May.

Other - Cr £298k

There are projected underspends in adult transport services of £31k and day care of £147k. Other minor projected underspends across various services in the division total of £120k.

There are budget pressures relating to Deprivation of Liberty Safeguards and a projected overspend of £118k is currently anticipated. This is based on the current level of activity continuing and does not allow for any increase in demand or responsibilities. There is £118k set aside in the central contingency for DoLS.

2. Learning Disabilities - Dr £688k Net of Planned Management Action

The full year effect of the 2016/17 overspend was funded in the 2017/18 budget however the 2017/18 LD budget was reduced by £636k (net) for the full year effect of 2016/17 budget savings.

There are significant LD budget pressures this year, including those arising from 2017/18 transition clients and increased, complex client needs. In addition, an 'invest to save' team of staff is employed to work on delivering savings but the cost of this team also adds to the cost pressures.

This set of projections is based on both actual information on current care packages and assumptions regarding clients expected to be placed in the remainder of this financial year, attrition etc. The assumptions include packages that have already been agreed at Panel but where the placement has not yet taken place (where the uncertainty is mainly around start dates) and those clients expected to require new placements or have increased needs this year but for whom costs and start dates are uncertain.

To avoid overstating the assumptions, a 'probability factor' has been applied to reflect experience in previous years which has shown that there tends to be either slippage on planned start dates or clients aren't placed as originally expected. However there is a risk attached to this in that the majority of placements may go ahead as and when planned or there may be clients placed who aren't included in the forecast.

Prior to factoring in planned savings, a projected overspend of £833k is currently anticipated. It has been assumed that savings of £145k can be achieved from management action in the remainder of 2017/18 (£446k in a full year) and this reduces the projected overspend to £688k. Progress on achieving these savings will continue to be monitored closely throughout the year.

A significant amount of the current forecast is based on assumptions and may therefore vary significantly as the year progresses.

3. Mental Health - Dr £153k Net of Planned Management Action

Based on current information, a projected overspend of £153k on Mental Health placements is now anticipated. This figure assumes that £50k of savings can be achieved from management action in the remainder of 2017/18, without which the overspend would be larger.

A degree of mis-classification of new clients' Primary Support Reasons (PSRs) continues from last financial year and this distorts the projections. Current indications are that this is likely to be overstating MH projected spend. Although this may shift the position for Mental Health and other PSRs individually, it won't affect the overall Care Services position as, if the clients are not MH, they will move to another PSR budget but still within Care Services.

4. Better Care Fund - Protection of Social Care - Cr £527k

A number of local authority adult social care services are funded by the element of the Better Care Fund set aside to protect social care services. This includes funding previously received under the former Department of Health Social Care Grant.

These services are currently projected to underspend by £527k in 2017/18 and this will be used to offset other budget pressures within social care in line with the intentions of the funding.

5. Better Care Fund/Improved Better Care Fund - Cr £935k

On the 13th September 2017 the Executive agreed to allocate £495k from the Better care Fund to alleviate cost pressures that LBB have incurred as a result of reduced preventative services as the contract with Bromley Third Sector Enterprises did not start until the 1st October 2017.

On the 10th October 2017 the Executive agreed to set aside £515k of IBCF funding, in the main as a result additional care packages being identified through the work of the Integrated Care Network. Some of this funding will be used for staffing. The remainder (£440k) will be used to offset costs incurred.

6. Housing Needs - Dr £170k

The Travellers budget is overspending by £98k and this is due to one of the sites experiencing high use of utilities (overspend of £73k) due to the site not having meters and loss of income (£25k) due to particular residents rent arrears.

The remaining £72k overspend is due to use of agency staff to backfill permanent posts in their new remodelled staffing structure to include a new Housing Intervention Team (HIT).

7. Supporting People - Cr £86k

There is currently expected to be an underspend of £86k. This was expected following the renegotiations of the contracts over the last few years to achieve the savings made on the budget.

8. Programmes Division - Cr £83k (net)

The total projected underspend for the Division is £460k. Of this, £377k relates to social care services protected by Better Care Funding and included at ref 5 above. This will be used to offset other budget pressures within adult social care in line with the intentions of the funding, leaving an underspend of Cr £83k relating to the Programmes Division. This largely relates to part-year vacancies.

Other than variations on the protection of social care element, it is assumed that any underspends on other BCF budgets will be carried forward for spending in future years under the pooled budget arrangement with Bromley CCG.

9. Strategy Division - Cr £176k

The underspend is, in the main, due to a one off freeze on non essential running expenses across the division. The remaining underspend is due to staff vacancies, etc

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 there were 18 waivers agreed for care placements in adults social care over £50k but less than £100k and 7 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts.

There were no contract waivers agreed during the period.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" are included in financial monitoring reports to the appropriate Executive meeting.

Since the last report there have been the following virements: £152k from the LD placements budget to extend the team of staff supporting the LD efficiency project to the end of the financial year; £132k to fund staff supporting the delivery of efficiencies in other areas; £31k contract monitoring resources transferred to Resources Portfolio. Some elements of previously approved virements have now been funded from IBCF and this element of those virements has been reversed.

Education & Children's Services Portfolio Budget Monitoring Summary

2016/17 Actuals	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	EDUCATION CARE & HEALTH SERVICES DEPARTMENT							
	Education Division							
Cr 141	Adult Education Centres	Cr 506	Cr 501	Cr 495	6		Cr 19	0
6	Alternative Education and Welfare Service	0	0	0	0		0	0
432	Schools and Early Years Commissioning & QA	372	372	497	125	1	6	0
5,481	SEN and Inclusion	5,864	5,859	5,805	Cr 54	2	0	0
38	Strategic Place Planning	0	93	93	0		0	0
26	Workforce Development & Governor Services	4	4	7	3		0	0
Cr 1,274	Education Services Grant	Cr 181	Cr 181	Cr 166	15	3	0	0
0	Contingency Drawdown for ESG	0	0	Cr 15	Cr 15	3		
425	Access & Inclusion	139	46	48	2		1	0
Cr 1,134	Schools Budgets	Cr 1,282	Cr 1,282	Cr 1,282	0	4	0	0
245	Other Strategic Functions	127	35	198	163	5	98	0
4,104		4,537	4,445	4,690	245		86	0
	Children's Social Care							
1,516	Bromley Youth Support Programme	1,454	1,459	1,513	54	6	50	0
1,147	Early Intervention and Family Support	1,042	1,044	957	Cr 87	7	0	0
4,041	CLA and Care Leavers	4,227	4,315	4,860	545	8	496	780
0	Management action	0	0	Cr 100	Cr 100		0	Cr 200
12,974	Fostering, Adoption and Resources	12,818	12,774	13,640	866	9	415	1,026
0	Additional contribution from the CCG	0	0	Cr 300	Cr 300		0	0
0	Management action	0	0	Cr 365	Cr 365		0	Cr 888
3,757	Referral and Assessment Service	2,981	3,002	3,159	157	10	33	0
3,056	Safeguarding and Care Planning East	2,405	2,416	2,187	Cr 229	11	Cr 315	0
4,020	Safeguarding and Care Planning West	3,645	3,645	3,714	69	12	123	0
2,825	Safeguarding and Quality Improvement	4,250	4,735	4,528	Cr 207	13	Cr 261	0
33,336		32,822	33,390	33,793	403		541	718
37,440	TOTAL CONTROLLABLE FOR EDUCATION & CHILDREN'S SERVICES	37,359	37,835	38,483	648		627	718
Cr 8,263	Total Non-Controllable	2,029	2,044	2,040	Cr 4		0	0
6,911	Total Excluded Recharges	6,428	6,138	6,138	0		0	0
36,088	TOTAL EDUCATION & CHILDREN'S SERVICES PORTFOLIO	45,816	46,017	46,661	644		627	718
	Memorandum Item							
	Sold Services							
Cr 134	Education Psychology Service (RSG Funded)	Cr 19	Cr 19	23	42	14	Cr 17	0
Cr 16	Education Welfare Service (RSG Funded)	Cr 35	Cr 35	6	41		Cr 0	0
11	Workforce Development (DSG/RSG Funded)	Cr 5	Cr 5	Cr 2	3		Cr 1	0
3	Governor Services (DSG/RSG Funded)	0	0	0	0		0	0
16	Community Vision Nursery (RSG Funded)	Cr 14	Cr 14	64	78		2	0
82	Blenheim Nursery (RSG Funded)	14	14	109	95		20	0
Cr 38	Total Sold Services	Cr 59	Cr 59	200	259		4	0

Reconciliation of Latest Approved Budget

	£'000
Original Budget 2017/18	45,816
SEN Implementation Grant 2017/18	
- expenditure	225
- income	Cr 225
SEN Pathfinder Grant 2017/18	
- expenditure	28
- income	Cr 28
Step Up To Social Work Grant	
- expenditure	915
- income	Cr 915
SEN Implementation Grant 2016/17	
- expenditure	21
- income	Cr 21
SEN Pathfinder Grant 2016/17	
- expenditure	14
- income	Cr 14
Early Years Grant	
- expenditure	15
- income	Cr 15
LA Conversion Academies Sponsor Support	
- expenditure	28
- income	Cr 28
High Needs Strategic Planning Fund	
- expenditure	140
- income	Cr 140
Tackling Troubled Families Grant	
- expenditure	796
- income	Cr 796
Support of completing ECHP Plans	115
Transfer of Central Placements Team from CE to ECHS	60
R&M Water Treatment	14
Business Rates revaluation	12
Latest Approved Budget for 2017/18	46,017

REASONS FOR VARIATIONS**1. Schools and Early Years Commissioning & QA - Dr £125k**

There is a pressure of £172k at the two in-house nurseries. This is due to the loss of the recharge from Children Social Care (CSC) following the change in the methodology used to calculate the CSC charge. There is currently a review being undertaken to look at how the nurseries can be put onto a more stable financial footing and become more self sufficient.

Early Years Support has an underspend of £15k that is due to the collection of income being higher than anticipated.

There is also an underspend in the School Standard area of £32k that is due to the underspend in staffing costs.

2. SEN and Inclusion - Cr £54k

SEN Transport is currently forecasted to underspend by £94k. This is due to underspends in staffing costs (£23k) and the over collection of income (£129k). These underspends are offset by the overspends in transport costs (£37k) and the other running costs (£21k).

The Education Psychologists are currently having issues recruiting to the vacant posts in their team. This is causing the statutory service they are required to provide to be underspent by £57k and Trading Service they offer to the Schools to be overspent by £42k - due to the use of expensive agency staff to provide the service. This is a net underspend of £15k.

The Special Education Needs area is currently forecasting an overspend of £71k. This is due to some posts that had grant funding attached to them to fund some of the post being removed for this financial year.

There are other small variances that total an underspend of £16k. This small variance include an underspend on the cost of the Head of Service that has been reduced due to a change in the management of the service.

3. Education Services Grant - Dr £0k

Final payments of the Education Services Grant (ESG) were £15k lower than the original allocation of £181k . The ESG allocation is recalculated at the end of the grant to take into account any schools converting to academies during the year. It is currently assumed that the shortfall will be drawn-down from contingency to cover this, so no variation is being reported.

4. 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.

There is a current projected underspend in DSG of £124k. This will be added to the £1,623k carried forward from 2016/17. The carry forward figure has been adjusted by the Early Year adjustment which has reduced the amount we received in 2016/17 by £475k. This gives an estimated DSG balance of £1,272k at the end of the financial year.

The in-year underspend is broken down as follows:-

Free Early Years Education is forecast to overspend by £147k this year. The budget for the 2 year old children is expected to overspend by £41k and an overspend for 3 & 4 years old children (both normal 15 and the new additional 15 hours) £122k. Additionally there is a £16k underspend in the staffing needed to support this service. There is potential for the DSG to be clawed back by DfE, depending on the take up of early years services in the financial year. Any adjustment will be made retrospectively.

The Primary Support Team are currently projecting a £52k underspend due to the service having vacant posts while the service is re-designed.

There is a pressure of £58k on the DSG due to the increase the maintained schools having an increase in the rate bills that they have received. This was not factored into their original funding.

The Home and Hospital service has a pressure of £169k due to the splitting out of the Nightingale school from the service. The Home and Hospital service is in the process of being reviewed following the split with the Nightingale School.

There is an underspend of £28k in the Pupil Support Services area. This is due to the under use of agency and consultancy costs to provide the service.

The Education Welfare service is currently forecasted an underspend of £26k due to higher than expected income collection.

SEN placements are projected to overspend by a total of £428k. The overspend are being caused by the Maintained Day (£711k), Independent Day (£340k) and Alternative Programmes (£145k). These overspends are then offset with underspends on Independent Boarding Schools (£1,088k), Maintained Boarding Schools (£38k), Behaviour Services (£123k) and the costs of Matrix Funding (£89k). There is also an additional pressure £570k from changes to the Children's Care Plans.

SEN Support for clients in Further Education Colleges is expected to underspend by £663k this year. The reason for this is due to the underspend in the cost of placing clients in colleges. This is being offset by the cost of placements at Independent providers.

The DSG funded element of SEN Transport is projected to overspend by £111k due to the new routes that were established last year. The level of spend in this area has been lower in previous years. Due to the current funding regulations LBB are not permitted to increase this budget from the previous year.

The High Needs Pre-School Service is currently holding a number of vacant posts resulting in a £118k underspend. There are not currently any plans to recruit to these posts as it is expected that the service will be changing during the year with one of the classes currently being offered by this service being moved to the Riverside School. These posts will provide the funding needed to support the new service.

The Sensory Support Service is underspent by £66k. This is due to staffing costs expected to be lower than budget in year.

A number of areas (SIPS, Darrick Wood Hearing Unit, the Complex Needs Team, Early Years Programme and Outreach & Inclusion Services) all are currently projected to underspend. Most of the underspend relates to lower than expected staffing costs, but there is also a small amount that relates to running costs that are not expected to be incurred during the year. The total of all of these underspends is £78k.

There is also a total small balance of underspends of £6k. This consists of £5k under the SEN heading, and £1k from the non-SEN headings.

	Variations	£'000
Free Early Education - 2 year olds		41
Free Early Education - 3 & 4 year olds (inc extra 15 hours)		122
Early Year Support	Cr	16
Primary Support Team	Cr	52
Schools Rates		58
Home & Hospital		169
Pupil Support Services	Cr	28
Education Welfare Officers	Cr	26
Other Small Balances	Cr	1
SEN:		
- Placements		428
- Support in FE colleges	Cr	663
- Transport		111
- High Needs Pre-school Service	Cr	118
- Sensory Support	Cr	66
- SIPS	Cr	34
- Darrick Wood Hearing Unit		33
- Complex Needs Team	Cr	20
- Outreach & Inclusion Service	Cr	45
- Early Support Programme	Cr	12
- Other Small SEN Balances	Cr	5
	<u>Cr</u>	<u>124</u>

5. Other Strategic Functions - Dr £163k

£35k of the overspend relates to the additional cost of the 2017/18 Business Rates for the Widmore Centre prior to the EFA taking over the site. The takeover took longer than anticipated.

There is a pressure of £128k due to a saving allocated to Education at the start of the year that has not been identified.

Children's Social Care - Dr £403k

The main areas of under / overspending are shown below. The May projections include assumptions around increased numbers of placements, as well as controlling expenditure on staffing budgets which overspent by £1.122m in 2016/17. Assumptions made on the level of Agency and pay rates have not all materialised and therefore there has been an increase in staffing costs since the last report. The current overspend has been mitigated in part by management actions due to take place in the remainder of the financial year.

6. Bromley Youth Support Programme - Dr £54k

The £54k projected overspend in this area is due to agency staff filling vacant posts at a high rate.

7. Early Intervention and Family Support - Cr £87k

There are projected staffing underspends in the Family Support and Contact centres and the Bromley Children's project.

8. CLA and Care Leavers - Dr £445k

The cost in relation to clients leaving care continues to overspend for both the 16-17 age group and the 18+ age group for whom housing benefit contributes towards the costs.

The budget in relation to clients aged 16 or 17 is projected to overspend by £138k. Costs have increased over the past year as children are having to be placed in accommodation with higher levels of support than they previously had.

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 of properties, resulting in a projected overspend of £135k. Some additional one off funding has been identified that has offset some of these costs. This is a significant rise in the overspend reported in May which was £47k, due to both increased numbers and increased cost.

In addition expenditure relating to the 'Staying Put' grant, where care leavers can remain with their foster carers after the age of 18, is currently projecting an overspend of £220k against a grant provision of £113k. This is a reduction of £68k from the May reported figure.

Management action of £100k is also assumed in the projected outturn, with officers reviewing levels of housing benefit being claimed for care leavers.

Staffing - Dr £52k

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level. The current projected overspend for this service is £52k net of any management action.

9. Fostering, Adoption and Resources - Dr 201k

The budget for children's placements is projected to overspend by £140k by year end. This amount includes assumptions for children coming through the system however as these budgets are very volatile and are subject to large fluctuations this figure is likely to change over the course of the year. An analysis of the current projected variations by placement type is shown below.

- Community Home's / Community Home's with Education - Dr £504k
- Boarding Schools - Cr £58k
- Secure Accommodation & Youth on Remand - Dr £186k
- Transport & Outreach services - Cr £72k
- Fostering services (IFA's) - Dr £935k
- Fostering services (In-house, including SGO's and Kinship) - Dr £277k
- Adoption placements - Dr £7k

In addition to the variations above, Bromley CCG have allocated a one off payment of £300k and an additional payment of £500k as a contribution towards the continuing care costs of placements, with an additional £234k also expected to be received. Additional one off funding has been identified of £240k which will offset the overall costs

Additional funding was included in the 2017/18 budget as part of a package of growth within ECHS overall, however placement numbers have increased since the amount required was calculated, resulting in increased expenditure.

Management action of £365k is also assumed in the projected outturn, with officers reviewing costs across the service.

Staffing - Dr £61k

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £61k net of any management action.

10. Referral and Assessment - Dr £157k**No Recourse to Public Funds - £0k**

The current projected cost to Bromley for people with no recourse to public funding is a balanced budget. Additional budget was moved into this area in 2015/16 to deal with a previous overspend on the budget, however there continued to be a cost pressure in this area. Officers have worked to reduce the numbers being funded and currently there are approximately 23 families being supported, compared with 35 in May. The projection assumes a further reduction in numbers by the end of the financial year.

Staffing - Dr £157k

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £157k net of any management action.

11. Safeguarding and Care Planning East - Cr £229k**Public Law Outline - Court Ordered Care Proceedings - Cr £332k**

Costs in relation to care proceedings are currently expected to be £332k under the budget provision of £798k. The budget for this was increased significantly in 2017/18 as a result of significant costs identified during 2016/17, which outturned with a spend of around £900k. Current year projections identify reduced costs, although the underspend has fallen from the £443k reported in May.

Staffing - Dr £103k

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £103k net of any management action.

12. Safeguarding and Care Planning West - Dr £69k**Staffing - Dr £194k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £194k net of any management action.

Additional funding - Cr £125k

The Safeguarding West division includes areas such as children with disability and CAHMS. Additional funding has been identified from BCF for the CAHMS service for this year of £125k to cover costs incurred by the service.

13. Safeguarding and Quality Improvement - Cr £207k**Staffing - Dr £143k**

Staffing costs continue to put pressure on the budgets due to the use of costly agency staff which accounts for 35% of staffing costs across the division. Although there is currently an ongoing campaign to recruit permanent social workers, which has been successful, the results of this will take some time to work through resulting in continued high costs for at least part of the year. Further recruitment efforts need to be successful in order to reduce agency levels and therefore spend down to a more manageable level. The current projected overspend for this service is £143k net of any management action.

Various Expenditure Budgets - Cr £350k

In November 2016, a freeze was initiated on running expense budgets that were underspending at that time. An amount of budget equal to these underspends was moved to a specific code within Children's Social Care to ensure that they were not spent. Due to the continued overspend in the division it has been decided that this will be replicated for 2017/18, with a sum of £350k being identified this year.

14. 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 there were 8 waivers agreed for care placements in childrens social care over £50k but less than £100k and 9 waivers agreed for over £100k. The waivers quoted relate to the annual cost of the placements, although it should be noted that some of these are short term placements where the final cost can be below these amounts.

Additionally since the last report to the Executive, there have been 3 waivers actioned in the Education area and they all have an annual value of less than £15k each.

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, 8 virements have been actioned and they are :- £8k additional funding for Commissioning Managers post; £35k deletion of Primary Advisor post; £106k to fund extra resources needed to support SEN children at Academies; £8k to fund Early Years Quality Improvement post; £80k to fund new Schools Standards post; £15k to fund a post to support Early Years Outreach; £55k to fund Head of Access and Inclusion post and £13k to fund an Admin post to support to conversion of SEN Statement to ECHP's.

Environment Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT PORTFOLIO							
	Street Scene & Green Spaces							
5,177	Parks and Green Spaces	5,194	5,172	5,163	Cr 9	1	0	0
290	Street Regulation and Enforcement incl markets	372	348	302	Cr 46	2	0	0
17,009	Waste Services	17,661	17,762	17,490	Cr 272	3	Cr 22	0
4,206	Street Environment	4,261	4,273	4,243	Cr 30	4	0	0
804	Management and Contract Support	871	999	1,061	62	5	0	0
632	Transport Operations and Depot Management	680	688	671	Cr 17	6	0	0
877	Trees	736	736	736	0		0	0
28,995		29,775	29,978	29,666	Cr 312		Cr 22	
	Parking Services							
Cr 7,425	Parking	Cr 7,468	Cr 7,313	Cr 7,484	Cr 171	7-9	0	0
Cr 7,425		Cr 7,468	Cr 7,313	Cr 7,484	Cr 171		0	0
	Transport & Highways							
245	Traffic & Road Safety	318	318	364	46	10	0	0
8,971	Highways (including London Permit Scheme)	6,554	6,577	6,483	Cr 94	11	0	0
9,216		6,872	6,895	6,847	Cr 48		0	0
30,786	TOTAL CONTROLLABLE	29,179	29,560	29,029	Cr 531		Cr 22	0
8,165	TOTAL NON-CONTROLLABLE	5,468	5,633	5,589	Cr 44	12	Cr 36	0
2,394	TOTAL EXCLUDED RECHARGES	2,244	2,244	2,244	0		0	0
41,345	PORTFOLIO TOTAL	36,891	37,437	36,862	Cr 575		Cr 58	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2017/18

36,891

Green Garden Waste Direct Debits

120

Non- Controllable R&M - Central Depot

113

Additional resources for staffing (Exec 9.8.17)

79

Non - Controllable R&M - Water Treatment

52

Business Rates revaluation

182

Latest Approved Budget for 2017/18

37,437

REASONS FOR VARIATIONS**1. Parks and Green Spaces Cr £9k**

Overall a net variation of Cr £9k is projected for Parks and Green Spaces. An underspend of £29k on staffing as a result of part year vacancies is partly offset by additional costs of £20k for park strategy development.

2. Street Regulation and Enforcement incl markets Cr 46k

Additional income of £31k is expected from the sale of promotional space within Bromley Town Centre. Other underspends total £15k mainly from part year vacancies.

Summary of variations within Street Regulation and Enforcement:		£'000
Additional advertising income	Cr	31
Underspend on Staffing	Cr	13
Other net income	Cr	2
Total variation for Street Regulation and Enforcement	Cr	46

3. Waste Services Cr £272k

Overall tonnage is expected to be 3,000 tonnes below last year and the current budget, mainly for recycling tonnage. As a result, contract disposal costs are expected to be £190k below budget.

Additional income of £24k is expected from the sale of recycling materials due to an increase in the market price of textiles.

Across the garden waste collection services, there is a projected underspend of £24k. This is made up of an overspend of £65k forecast for the use of a sixth vehicle for the second half of the year due to the increase in customers. Other overspends include £23k for the purchase and delivery of containers and £23k for marketing. Sales of green garden waste stickers have not dropped off as much as in previous years and additional income of £18k is expected and there is a net increase in the number of wheelie bin customers in 2017/18 resulting in extra income of £117k being forecast.

A survey will be undertaken to assess waste collection behavioural changes in residents and the waste strategy needs to be updated as part of the requirements for the Environment contract. These costs total £48k.

The waste collection contract is projected to be underspent by £24k mainly due to a reduction in large scale fly tipping incidents over 3m³.

Following the settlement with Veolia, an extra £50k will be received above the net accrual of £120k made in 2016/17.

It is estimated that approximately 5,400 tonnes will be diverted by landfill and disposed of using Mechanical Biological Treatment. This will provide an additional credit of £18k.

Costs of £15k have been incurred for a depot review carried out by C & W.

Other waste income is expected to generate an additional £5k.

Summary of overall variations within Waste Services		£'000
Waste disposal costs	Cr	190
Recycling Income	Cr	24
Green Garden Waste Service	Cr	24
Waste collection behavioural change survey & waste strategy		48
Waste collection contract	Cr	24
Settlement with Veolia	Cr	50
Additional MBT (Mechanical Biological Treatment) income	Cr	18
Depot review by C & W		15
Other income	Cr	5
Total variation for Waste Services	Cr	272

4. Street Environment Cr £30k

The Street Environment budget is expected to underspend by £30k. This is due to part year vacancies £18k and £12k surplus income mainly from FPNs.

5. Management and Contract Support Dr £62k

There is a net projected overspend of £62k relating to additional support and evaluation expertise for the environment contracts.

6. Transport Operations and Depot Management Cr £17k

Part year vacancies have resulted in an underspend of £17k.

7. Income from Bus Lane Contraventions Cr £390k

There is a net projected surplus of £390k on the redeployable automated cameras in bus lanes for 2017-18. This is based on numbers of contraventions up to 30 September 2017.

8. Off/On Street Car Parking Dr £139k

Overall there is a net variation of Dr £139k for Off and On Street parking.

A deficit of £250k is forecast for Off and On Street Parking income. This was partly due to initial problems with the new Parking contract which started in April. These included issues around car park cleaning, cash collection and counting, which resulted in defaults relating to Off/On Street Car Parking income being issued totalling £21k. These issues now seem to have been resolved.

This is partly offset by additional income of £56k which is expected to be received from cashless parking fees, as the use of this service continues to grow.

With the roll out of additional On Street Parking bays, an extra £34k income will be generated this year.

This projected overspend for off and on Street Car parking within the Parking budget is detailed below: -

	OFF ST	ON ST	Total
	£'000	£'000	£'000
Summary of variations within Off/On Street Car Parking			
Off Street Car Parking income	300 Cr	50	250
Less additional Ring Go fees	Cr 23 Cr	33 Cr	56
Level of Defaults applied to contract April to Sept 17	Cr 11 Cr	10 Cr	21
Additional income from new bays	0 Cr	34 Cr	34
Total variations within Off/On Street Parking	266 Cr	127	139

9. Car Parking Enforcement Dr £80k

From activity levels up to September 2017, there is a projected net deficit of around Dr £180k from PCNs issued by APCOA in the current year due to a reduction in contraventions. During the initial mobilisation period of the contract APCOA experienced problems in recruitment and training Civil Enforcement Officers (CEOs). In September this seems to have stabilised and staff have been recruited with the necessary skills and abilities to carry out the contract. There are defaults on the Enforcement contract of around Cr £100k for April to August 2017 which partly offsets this variation. Data is still awaited for any defaults for September.

	£'000
Summary of variations within Car Parking Enforcement	
PCNs issued by wardens	180
APCOA Enforcement defaults	Cr 100
Total variations within Car Parking Enforcement	80

	£'000
Summary of overall variations within Parking:	
Bus Routes Enforcement	Cr 390
Off Street Car Parking	266
On Street Car Parking	Cr 127
Car Parking Enforcement	80
Total variation for Parking	Cr 171

10. Traffic & Road Safety Dr £46k

There is a projected shortfall of £46k for advertising income due to delays with obtaining planning permission for the digital display units.

11. Highways- Including London Permit Scheme Cr £94k

Within NRSWA income, there is a projected surplus of income of £174k. This is mainly due to an increase in the number of permits issued as well as income from defect notices and coring.

This has been partly offset by additional expected costs of £80k to undertake the project management and specialist support for Lots 5-10 of the environment contracts.

	£'000
Summary of Variations within Highways.	
NRSWA Income	Cr 174
Lot 5-7 project management and specialist support costs	80
Total Projected variations for Highways	Cr 94

12. Non-controllable Cr £44k

There is a projected surplus income of £44k within the property rental income budget. Property division are accountable for these variations.

Waiver of Financial Regulations:

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

£69k (12 months contract) relating to a parking design specialist to carry out parking bay reviews.

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 & Safety Budget Monitoring Summary

2016/17 Actuals £'000	Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
108	Public Protection							
	Community Safety	142	138	138	0		0	0
77	Emergency Planning	83	102	102	0		0	0
508	Mortuary & Coroners Service	403	403	449	46	1	66	56
1,187	Public Protection	1,335	1,479	1,463	Cr 16	2	0	0
1,880	TOTAL CONTROLLABLE	1,963	2,122	2,152	30		66	56
270	TOTAL NON CONTROLLABLE	3	3	3	0		0	0
262	TOTAL EXCLUDED RECHARGES	374	374	374	0		0	0
2,412	PORTFOLIO TOTAL	2,340	2,499	2,529	30		66	56

Reconciliation of Latest Approved Budget

£'000

Original Budget 2017/18

2,340

Additional resources for staffing (Exec 9.8.17)

159

Latest Approved Budget for 2017/18

2,499

REASONS FOR VARIATIONS**1. Mortuary and Coroners Service Dr £46k**

The Coroner's consortium costs escalated in 2016/17. A total provision of £466k was provided for in 2016/17, which included the estimated costs of £128k for the refurbishment of the new offices for the Coroner's service in Davis House. The final cost for 2016/17 was £426k, which included Bromley's share of the Davis House refurbishment costs of £114k. As a result, £40k of the provision is no longer required.

Following recent meetings with Croydon, who are the lead authority on the Coroner's service, Bromley's share of the revised 2017/18 budget set by Croydon is £326k, an on-going shortfall of £56k against budget. It is likely that there will be a further one-off cost of £65k resulting from the large inquests being undertaken during 2017/18.

The Mortuary contract is anticipated to be at a similar level as 2016/17, and is likely to underspend by £35k. This will help to offset the increase in costs of the coroners service.

Summary of variations within Mortuary and Coroners:	£'000
Release of provision no longer required	Cr 40
Overspend on Coroners service - increased costs	56
Estimated cost of large inquests	65
Potential underspend on Mortuary	Cr 35
Total variations within Mortuary and Coroners	<u>46</u>

2. Public Protection Cr £16k

There is a net underspend of £16k within Public Protection mainly due to staff vacancies.

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 & Recreation Budget Monitoring Summary

2016/17 Actuals £'000	Division Service Areas	2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
	Planning							
Cr 3	Building Control	76	76	15	Cr 61	1	Cr 50	0
Cr 144	Land Charges	Cr 129	Cr 129	Cr 147	Cr 18	2	0	0
812	Planning	703	703	827	124	3	50	0
	Planning appeal funding held in Central Contingency			Cr 31	Cr 31		0	0
1,564	Renewal	785	1,075	1,075	0		0	0
2,229		1,435	1,725	1,739	14		0	0
	Recreation							
1,732	Culture	1,675	1,695	1,695	0		0	0
4,737	Libraries	4,403	5,752	5,752	0	4	0	0
263	Town Centre Management & Business Support	180	261	247	Cr 14	5	0	0
6,732		6,258	7,708	7,694	Cr 14		0	0
8,961	Total Controllable R&R Portfolio	7,693	9,433	9,433	0		0	0
5,855	TOTAL NON CONTROLLABLE	4,195	4,157	4,116	Cr 41	6	Cr 42	0
2,088	TOTAL EXCLUDED RECHARGES	2,086	2,086	2,086	0		0	0
16,904	PORTFOLIO TOTAL	13,974	15,676	15,635	Cr 41		Cr 42	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2017/18

13,974

New Homes Bonus TCM

23

New Homes Bonus Regeneration

306

Custom Build & New Burdens grant - Expenditure

30

Custom Build & New Burdens grant - Income

Cr 30

Local Plan Implementation

37

Inflation adjustment

15

Business Rates revaluation

60

Non - Controllable R&M - Water Treatment

4

Libraries - saving adjustment

284

Libraries - Decommissioning of I.T service

973

Latest Approved Budget for 2017/18

15,676

REASONS FOR VARIATIONS

1. Building Control Cr £61k

For the chargeable service, an income deficit of £105k is projected based on information to date. This is mostly offset by a projected underspend within salaries of £101k arising from reduced working hours and part year vacancies, as well as running expenses. In accordance with Building Account Regulations, the net deficit of around £4k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance will therefore reduce from Cr £182k to Cr £178k.

Within the non-chargeable service, there is a projected net underspend of £61k, this is mainly the result of part year vacancies and reduced hours.

2. Land Charges Cr £18k

There is a projected deficit of £20k for income within the Charging Account due to vacancies which is partly offset by underspends on staffing and running expenses of £13k. The net deficit of £7k will be carried forward as the cumulative balance in the Charging Account. If the income continues to drop, officers will have to consider increasing the current charges.

There is a projected underspend of £18k on the Non-Chargeable budget due to part year vacancies.

3. Planning Dr £124k

Income from non-major planning applications is above budget for the first six months of the year, and a surplus of £100k is projected for 2017/18. For information, actual income received from April to September is at a similar level compared to income received for the same period last year.

For major applications, £102k has been received as at 30th September, which is £52k lower than for the same period in 2016/17. Planning officers within the majors team have advised there is significant activity expected in the coming months, and therefore the income target for 2017/18 is expected to be met.

Currently there is projected surplus income of £60k from pre-application meetings due to higher than budgeted activity levels. For information, £105k has been received for the first six months of the year, which is £8k higher than for the same period in 2016/17.

Additional income of £20k is expected from other miscellaneous income within Planning, mostly from the street naming and numbering service.

Specialist consultancy costs of around £60k are expected to be incurred relating to three planning enquiries to be held in early 2018. There will also be an overspend of £20k for planning staff, due to 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.

Costs of £224k are expected relating to costs awarded against the Council for planning appeals that have been lost. There is a sum of £60k held in the central contingency that could be drawn down to partly offset these costs, however as there may be further appeal costs that may come through later in the year, the total sum to be drawn down will be finalised at the year end. At this moment in time, it is assumed that £31k will be drawn down at year end from the planning appeal funding held in Central Contingency to offset the overspend.

Summary of variations within Planning:	£'000
Surplus of income from non-major applications	Cr 100
Surplus pre-application income	Cr 60
Surplus from miscellaneous income	Cr 20
Specialist consultancy costs	60
Additional temporary planning staff	20
Planning appeals claims	224
Total variation for Planning	<u>124</u>

4. Libraries £0k

Overall a nil variance is projected for the Library service, however there will be a shortfall of income of £17k from fee & charges which is offset by an underspend of staffing totalling £17k.

5. Town Centre Management & Business Support Cr £14k

A net underspend of £14k is forecast for Town Centre Management & Business Support. This includes £6k on staff vacancies and additional income of £8k from pop-up shop rental and promotional space.

6. Non-controllable Cr £41k

There is a projected surplus income of £41k within the property rental income budget. Property division are accountable for these variations.

Waiver of Financial Regulations:

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

Virements Approved to date under Director's Delegated Powers

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

Resources Portfolio Budget Monitoring Summary

2016/17 Actuals		2017/18 Original Budget £'000	2017/18 Latest Approved £'000	2017/18 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
456	Director of Finance & Other	212	212	212	0		0	0
6,641	Exchequer - Revenue & Benefits	6,645	6,957	7,011	54	1	0	0
1,545	Exchequer - Payments & Income	1,600	1,582	1,582	0		0	0
606	Financial Accounting	620	620	620	0		0	0
1,423	Management Accounting	1,521	1,522	1,477	Cr 45	2	0	0
632	Audit	679	719	729	10	3	0	0
11,303	Total Financial Services Division	11,277	11,612	11,631	19		0	0
	CORPORATE SERVICES DIVISION							
4,375	Information Systems & Telephony	4,482	4,544	4,544	0		0	0
1,078	Customer Services (inc. Bromley Knowledge)	1,101	998	998	0		0	0
	Legal Services & Democracy							
320	Electoral	345	345	345	0		0	0
1,369	Democratic Services	1,412	1,412	1,412	0		0	0
Cr 123	Registration of Births, Deaths & Marriages	Cr 94	Cr 94	Cr 94	0		0	0
1,776	Legal Services	1,642	1,692	1,842	150	4	97	140
169	Management and Other (Corporate Services)	175	175	175	0		0	0
8,964	Total Corporate Services Division	9,063	9,072	9,222	150		97	140
	HR DIVISION							
1,523	Human Resources	1,929	1,938	1,938	0		0	0
1,523	Total HR Division	1,929	1,938	1,938	0		0	0
	COMMISSIONING AND PROCUREMENT DIVISION							
939	Procurement and Data Management	666	716	716	0		0	0
1,245	Commissioning	1,428	878	857	Cr 21	5	0	0
0	Debt Management System	0	25	25	0		0	0
2,184	Total Commissioning and Procurement Division	2,094	1,619	1,598	Cr 21		0	0
	CHIEF EXECUTIVE'S DIVISION							
125	Comms	125	125	125	0		0	0
652	Management and Other (C. Exec)	712	747	747	0		0	0
168	Mayoral	149	149	149	0		0	0
945	Total Chief Executive's Division	986	1,021	1,021	0		0	0
	CENTRAL ITEMS							
7,500	CDC & Non Distributed Costs (Past Deficit etc.)	3,831	3,831	3,831	0		0	0
11,600	Concessionary Fares	11,210	11,210	11,210	0		0	0
44,019	TOTAL CONTROLLABLE CE DEPT	40,390	40,303	40,451	148		97	140
Cr 8,194	TOTAL NON CONTROLLABLE	337	335	335	0		0	0
Cr 16,351	TOTAL EXCLUDED RECHARGES	Cr 15,801	Cr 15,278	Cr 15,278	0		0	0
19,474	TOTAL CE DEPARTMENT	24,926	25,360	25,508	148		97	140
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
1,938	Admin Buildings & Facilities Support	2,217	2,681	2,684	3	6	0	0
195	Investment & Non-Operational Property	187	187	131	Cr 56	7	Cr 66	0
1,115	Strategic & Operational Property Services	979	1,079	1,079	0		0	0
163	TFM Client Monitoring Team	311	311	311	0		0	0
Cr 866	Other Rental Income - Other Portfolios	Cr 763	Cr 763	Cr 845	Cr 82	8	Cr 69	0
2,117	Repairs & Maintenance (All LBB)	1,944	2,140	2,140	0	9	0	0
4,662	TOTAL CONTROLLABLE ECS DEPT	4,875	5,635	5,500	Cr 135		Cr 135	0
1,778	TOTAL NON CONTROLLABLE	402	402	402	0		0	0
Cr 2,666	TOTAL EXCLUDED RECHARGES	Cr 2,706	Cr 2,706	Cr 2,706	0		0	0
Cr 1,411	Less: R&M allocated across other Portfolios	Cr 1,485	Cr 1,630	Cr 1,630	0		0	0
866	Less: Rent allocated across other Portfolios	763	763	845	82		69	0
3,229	TOTAL ECS DEPARTMENT	1,849	2,464	2,411	Cr 53		Cr 66	0
22,703	TOTAL RESOURCES PORTFOLIO	26,775	27,824	27,919	95		31	140

Reconciliation of Latest Approved Budget	£'000
Original budget 2017/18	26,775
Audit - Additional investigation works	40
Electoral IER - grant related expenditure	47
Electoral IER - grant related income	Cr 47
Debt Management System - grant related expenditure	99
Debt Management System - grant related income	Cr 99
Debt Management System - Aspien Corporate Debt System	25
Contract Register / Summaries Database	50
Legal Counsel Cost	50
Biggin Hill Airport Noise Action Plan	44
Inflation Adjustment	351
Business Rates revaluation	305
TFM - Pension Liabilities	100
	51
Contract monitoring resources transferred to Resources Portfolio	31
IT Mobilisation Fund	62
Transfer of Central Placement Team to Care Services Portfolio 1.6.17	Cr 60
Latest Approved Budget for 2017/18	<u>27,824</u>

REASONS FOR VARIATIONS**CORPORATE SERVICES DIVISION****1. Exchequer - Revenues and Benefits Dr £54k**

Following the extension of the Exchequer Services contract approved by Executive on 13th January 2016, £448k savings were built into the 2017/18 budget. Due to the delays in the implementation of the automated services, the estimated savings of £134k for 2017/18 will not yet be achieved. £34k of the shortfall is related to the Capita Connect system savings and £100k is due to the implementation of the Debt Management system which is projected to be in December 2017, with 6 month lead in time before savings can be achieved. These costs are partly offset by savings on the Liberata contract of £80k due to various one-off in year variations.

2. Management Accounting Cr £45k

Within Management Accounting staffing costs are expected to below budget by £45k due to part year staff vacancies, which have now been filled.

3. Audit Dr £10k

Audit costs are projected to be overspent by around £10k due to an increase in contract related audits.

4. Legal Services Dr £150k

An overspend of £150k is projected for counsel fees and court costs due to the high volume of child care cases. 37 cases were received between April and September, and it is anticipated that the number of child care cases received in 17/18 will be in the region of 80 cases. One case was particularly expensive as it involved six children. Although the number of cases are expected to be lower than last year (99 cases), it far exceeds the average annual number of around 47 cases in the past.

5. Procurement and Commissioning Cr £21k

Part year vacancies have resulted in a projected underspend of £21k.

ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT**6. Admin Buildings & Facilities Support Dr £3k**

There is a £13k shortfall of income from staff car parking and other minor underspends totalling £10k.

7. Investment & Non-Operational Property (expenditure) Cr £56k

The budget for Surplus Properties is expected to overspend by £18k due to business rates for various surplus properties awaiting disposal, additional security costs of £9k for the Widmore centre and £9k overspend on utilities. This is more than offset by £92k underspend on business rates for Bromley Town Hall (Exchequer House).

8. Other Rental Income - Other Portfolios Cr £82k

There is an overall net surplus of £82k for rental income from various properties in other Portfolios. This is mainly due to £30k from the Depots, £24k from a recent rent review and other minor variations totalling Cr £28k.

9. Repairs & Maintenance (All LBB)

EARLY WARNING: It is likely that most of the carry forward sum of £113k for the central depot wall will need to be carried forward to 2018/19 as the repair works have not yet started.

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:

TNT UK Ltd. This waiver was for a two year extension to the off- site storage contract at a total cost of £70k. Cumulative value £195k.

Royal Borough of Greenwich for additional one year extension for fraud services £190k (Cumulative value £4,127k).

Virements Approved to date under Director's Delegated Powers

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

Allocation of Contingency Provision for 2017/18

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	
	£	£	£	£	£	£
Renewal and Recreation						
Planning Appeals - change in legislation	60,000			60,000	60,000	0
General						
Provision for unallocated inflation	2,274,000	366,000		1,198,600	1,564,600	Cr 709,400
Impact of Chancellor's Summer Budget 2015 on future costs	2,260,000	912,000		348,000	1,260,000	(4)&(2) Cr 1,000,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	2,740,000	310,000		1,930,000	2,240,000	(3) Cr 500,000
General provision for risk/uncertainty	2,219,000			321,560	321,560	Cr 1,897,440
Operational Building Maintenance Programme		125,240		0	125,240	(2) 125,240
SEN assessments - transfer to ECHP plans		115,000		0	115,000	(6) 115,000
Library Services - one off funding & budget variations		1,257,000		0	1,257,000	(6) 1,257,000
Total Facilities Management Contract		100,000		0	100,000	(1) 100,000
Additional Resources for Environment & Community Services		238,000		0	238,000	(7) 238,000
IT Mobilisation		62,200		0	62,200	(7) 62,200
Provision for risk/uncertainty relating to volume and cost pressures	2,182,000			682,000	682,000	Cr 1,500,000
Impact of conversion of schools to academies	117,000			117,000	117,000	0
Retained Welfare Fund	450,000			450,000	450,000	0
Deprivation of Liberty	118,000			118,000	118,000	0
Growth for Waste Services	424,000			424,000	424,000	0
Grants to Voluntary Organisations - pump priming funding	275,000			275,000	275,000	0
Other Provisions	293,000			293,000	293,000	0
Adult Social Care	700,000			700,000	700,000	0
Provision for impact of NNDR Revaluation	350,000		559,400	0	559,400	209,400
Education SEN	300,000			300,000	300,000	0
Better Care Fund	220,000			220,000	220,000	0
HR/Finance impact of academy conversions	Cr 25,000			Cr 25,000	Cr 25,000	0
Residual share of South London Connexions Consortium balance				Cr 50,910	Cr 50,910	Cr 50,910
Contribution to Investment Fund			3,500,000	0	3,500,000	3,500,000
	14,957,000	3,485,440	4,059,400	7,361,250	14,906,090	Cr 50,910
Grants included within Central Contingency Sum						
SEND Implementation Grant (New Burdens)						
Grant related expenditure	201,000	225,000		0	225,000	(3) 24,000
Grant related income	Cr 201,000	Cr 225,000		0	Cr 225,000	Cr 24,000
Tackling Troubled Families Grant						
Grant related expenditure	781,000	200,600		461,400	662,000	(9) Cr 119,000
Grant related income	Cr 781,000	Cr 200,600		Cr 461,400	Cr 662,000	Cr 119,000
Adult Social Care (IBCF)						
Grant related expenditure	4,184,000	4,184,000		0	4,184,000	(8) 0
Grant related income	Cr 4,184,000	Cr 4,184,000		0	Cr 4,184,000	0
SEN Pathfinder Grant						
Grant related expenditure		27,522		0	27,522	(3) 27,522
Grant related income		Cr 27,522		0	Cr 27,522	Cr 27,522
Step Up To Social Work Grant						
Grant related expenditure		915,000		0	915,000	(5) 915,000
Grant related income		Cr 915,000		0	Cr 915,000	Cr 915,000
Flexible Homelessness Support Grant						
Grant related expenditure				2,106,890	2,106,890	2,106,890
Grant related income				Cr 2,106,890	Cr 2,106,890	Cr 2,106,890
Homelessness Reduction Grant						
Grant related expenditure				254,713	254,713	254,713
Grant related income				Cr 254,713	Cr 254,713	Cr 254,713
Total Grants	0	0	0	0	0	0
TOTAL CARRIED FORWARD	14,957,000	3,485,440	4,059,400	7,361,250	14,906,090	Cr 50,910

Notes:

- (1) Executive 23rd March 2016
- (2) Executive 22nd March 2017
- (3) Executive 24th May 2017
- (4) Executive 6th June 2017
- (5) Executive 20th June 2017
- (6) Executive 19th July 2017
- (7) Executive 9th August 2017
- (8) Executive 10th October 2017
- (9) Executive 7th November 2017

Allocation of Contingency Provision for 2017/18 (continued)

Item	Carried Forward from 2016/17	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/Projected for Year	
	£	£	£	£	£	£
TOTAL BROUGHT FORWARD	14,957,000	3,485,440	4,059,400	7,361,250	14,906,090	Cr 50,910
Items Carried Forward from 2016/17						
Care Services						
Social Care Funding via the CCG under S75 agreements						
Integration Funding - Better Care Fund						
- expenditure	28,170	28,170		0	28,170	(2) 0
- income	Cr 28,170	Cr 28,170		0	Cr 28,170	0
Better Care Fund - GoodGym						
- expenditure	25,000	25,000		0	25,000	(2) 0
- income	Cr 25,000	Cr 25,000		0	Cr 25,000	0
Better Care Fund						
- expenditure	132,190	132,190		0	132,190	(2) 0
- income	Cr 132,190	Cr 132,190		0	Cr 132,190	0
Helping People Home						
- expenditure	40,000	40,000		0	40,000	(8) 0
- income	Cr 40,000	Cr 40,000		0	Cr 40,000	0
DCLG Preventing Homelessness Grant						
- expenditure	152,551	152,551		0	152,551	(2) 0
- income	Cr 152,551	Cr 152,551		0	Cr 152,551	0
Fire Safety Grant						
- expenditure	56,589	56,589		0	56,589	(2) 0
- income	Cr 56,589	Cr 56,589		0	Cr 56,589	0
Community Housing Fund Grant						
- expenditure	62,408	62,408		0	62,408	(2) 0
- income	Cr 62,408	Cr 62,408		0	Cr 62,408	0
Public Health						
- expenditure	623,290			623,290	623,290	0
- income	Cr 623,290			Cr 623,290	Cr 623,290	0
Implementing Welfare Reform Changes						
- expenditure	56,219	56,219		0	56,219	(2) 0
- income	Cr 56,219	Cr 56,219		0	Cr 56,219	0
Renewal & Recreation Portfolio						
New Homes Bonus - Town Centre Management						
- expenditure	23,446	23,446		0	23,446	(3) 0
- income	Cr 23,446	Cr 23,446		0	Cr 23,446	0
New Homes Bonus - Regeneration						
- expenditure	306,126	306,126		0	306,126	(3) 0
- income	Cr 306,126	Cr 306,126		0	Cr 306,126	0
Planning Strategy & Projects - Custom Build Grant						
- expenditure	29,645	29,645		0	29,645	(3) 0
- income	Cr 29,645	Cr 29,645		0	Cr 29,645	0
Resources Portfolio						
Electoral Services - Cabinet Office Funding for IER						
- expenditure	47,117	47,117		0	47,117	(4) 0
- income	Cr 47,117	Cr 47,117		0	Cr 47,117	0
Debt Management System Project - Transformation Grant						
- expenditure	99,267	99,267		0	99,267	(4) 0
- income	Cr 99,267	Cr 99,267		0	Cr 99,267	0
Education and Children's Services Portfolio						
SEN Reform Grant						
- expenditure	20,703	20,703		0	20,703	(1) 0
- income	Cr 20,703	Cr 20,703		0	Cr 20,703	0
SEN Pathfinder Grant						
- expenditure	14,427	14,427		0	14,427	(5) 0
- income	Cr 14,427	Cr 14,427		0	Cr 14,427	0
Early Years Grant						
- expenditure	14,800	14,800		0	14,800	(5) 0
- income	Cr 14,800	Cr 14,800		0	Cr 14,800	0
LA Conversion Academies Sponsor Support						
- expenditure	28,000	28,000		0	28,000	(5) 0
- income	Cr 28,000	Cr 28,000		0	Cr 28,000	0
High Needs Strategic Planning Fund						
- expenditure	139,624	139,624		0	139,624	(5) 0
- income	Cr 139,624	Cr 139,624		0	Cr 139,624	0

Item	Carried Forward from 2016/17	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	
	£	£	£	£	£	£
Tackling Troubled Families						
- expenditure	675,400	595,400		80,000	675,400	(7)
- income	Cr 675,400	Cr 595,400		Cr 80,000	Cr 675,400	0
General						
Audit - Additional investigation works	40,000	40,000		0	40,000	(4)
Debt Management System	25,000	25,000		0	25,000	(4)
Contracts Register/Summaries Database	50,000	50,000		0	50,000	(4)
Biggin Hill Airport - Noise Action Plan	43,700	43,700		0	43,700	(4)
Legal Counsel Costs	50,000	50,000		0	50,000	(4)
Staff Merit Awards	80,970			80,970	80,970	0
Green Garden Waste - Debt Management System	120,000	120,000		0	120,000	(6)
Local Plan Implementation	37,427	37,427		0	37,427	(3)
	447,097	366,127	0	80,970	447,097	0
Total Carried Forward from 2016/17	447,097	366,127	0	80,970	447,097	0
GRAND TOTAL	15,404,097	3,851,567	4,059,400	7,442,220	15,353,187	Cr 50,910

Notes:

- (1) Executive 24th May 2017
- (2) Care Services PDS 4th July 2017
- (3) Renewal & Recreation PDS 5th July 2017
- (4) Executive & Resources PDS 13th July 2017
- (5) Education, Children & Families Budget & Performance Monitoring Sub-Committee 18th July 2017
- (6) Environment PDS 12th July 2017
- (7) Executive 7th November 2017
- (8) Care Services PDS 14th November 2017

Description	2017/18 Latest Approved Budget £'000	Variation To 2017/18 Budget £'000	Potential Impact in 2018/19
Housing Needs - Temporary Accommodation	7,535	0	The full year effect of Temporary Accommodation is currently estimated to be £88k in 2018/19. This estimate only takes into account the projected activity to the end of this financial year and not any projected growth in client numbers beyond that point. The costs are expected to be covered by a contingency bid during 2018/19 as has been the case for a number of years.
Assessment and Care Management - Care Placements	20,810	1,152	The full year impact of the current overspend is estimated at Dr £1,067k. £873k of this relates to residential and nursing home placements and £194k to domiciliary care / direct payments. This is based on client numbers as at the end of September and given the volatility of these budgets is likely to change during the year. In addition, the fye is reduced by IBCF funding of £629k in 2018/19, reducing the overall fye to Dr £438k.
Learning Disabilities - including Care Placements, Transport and Care Management	31,138	688	The full year effect is estimated at an overspend of £1,788k which is higher than the current year's overspend. This is partly because the forward assumptions are based on a net increase in the number / cost of LD clients (clients expected to be placed in-year in 2017/18 will only have a part year cost in 2017/18 but a full year cost in 2018/19 and new / increased packages exceed savings being planned). The Invest to Save Team is a non-recurrent cost in 2017/18 so this reduced the FYE pressure.
Mental Health - Care Placements	5,938	153	There is currently a full year overspend of £168k anticipated on Mental Health placements. There continues to be a degree of misclassification of clients' Primary Support Reasons (PSRs) and this may result in projections shifting between PSRs in future months.
Supporting People	1,072	Cr 86	The full year effect of Supporting People is currently estimated to be a credit of £65k. This is a result of the estimated savings from retendering of the contracts.
Children's Social Care	33,390	403	The overall full year effect of the Childrens Social Care overspend is £718k, analysed as Residential, Fostering and Adoption £138k and Leaving Care services (inc Staying Put and Housing Benefit clients) £580k. This assumes that management action of £1,088k is achieved in 2018/19
Legal Services - Legal / Counsel Fees	89	150	The projected overspend for counsel fees and court costs due to the high volume of child care cases are expected to be in the region of 80 cases in 2017/18 and this level is likely to continue in 2018/19. At this time an overspend of around £140k is projected for 2018/19. Costs should reduce in future years due to the effect of more cases being dealt with in-house.
Mortuary and Coroners Service	403	46	Based on latest information from Croydon, the projected full year effect of the increased Coroner's costs is £56k in 2018/19. A report is to be submitted to Members by the Head of Environmental Protection to provide further information to justify the substantial increased cost of this service which is administered by Croydon as the lead authority in the South London Consortium.
Parking	Cr 7,313	Cr 171	The downward trend in Off Street parking income is likely to be offset by the FYE of new On Street parking bays, and income from bus lane enforcement assuming a drop off in contraventions. At this stage no overall variance is projected for Parking in 2018/19.
Waste	17,762	Cr 272	The FYE cost on the use of a sixth vehicle on the Green Garden Waste service next year will be met from the extra income generated from additional customers. Waste tonnages will continue to be monitored closely for the rest of the year. At this stage no overall variance is projected for Waste in 2018/19

SECTION 106 RECEIPTS

Section 106 receipts are monies paid to the Council by developers as a result of the grant of planning permission where works are required to be carried out or new facilities provided as a result of that permission (e.g. provision of affordable housing, healthcare facilities & secondary school places). The sums are restricted to being spent only in accordance with the agreement concluded with the developer.

The major balances of Section 106 receipts held by the Council are as follows:

31 March 2017 £'000	Service	Income £'000	Expenditure £'000	Transfers to/(from) Capital £'000	Actual as at 30 Sep 2017 £'000
<u>Revenue</u>					<u>Revenue</u>
542	Highway Improvement Works	5	70	-	477
42	Road Safety Schemes	-	-	-	42
45	Local Economy & Town Centres	-	-	-	45
78	Parking	3	-	-	81
724	Healthcare Services	188	-	-	912
10	Community Facilities (to be transferred to capital)	-	-	-	10
311	Other	-	-	-	311
1,752		196	70	-	1,878
<u>Capital</u>					<u>Capital</u>
2,890	Education	773	1,072	-	2,591
4,911	Housing	-	1,854	-	3,057
97	Local Economy & Town Centres	239	97	-	239
82	Highway Improvement Works	-	-	-	82
7,980		1,012	3,023	-	5,969
9,732		1,208	3,093	-	7,847