

GENERAL FUND - PROVISIONAL OUTTURN FOR 2017/18

Portfolio	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Final Approved Budget £'000	2017/18 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Exec 28/03/18 £'000
Care Services	68,272	2,995	71,267	71,497	230 Cr	97
Education, Children & Families (incl. Schools' Budget)	37,359	Cr 122	37,237	38,162	925	874
Environment	29,179	395	29,574	27,743	Cr 1,831	Cr 566
Public Protection & Safety	1,963	140	2,103	1,946	Cr 157	Cr 41
Renewal & Recreation	7,693	1,799	9,492	9,156	Cr 336	Cr 243
Resources	45,265	1,200	46,465	44,309	Cr 2,156	Cr 985
Total Controllable Budgets	189,731	6,407	196,138	192,813	Cr 3,325	Cr 1,058
Capital, Insurance & Pensions Costs (see note 2)	11,244	Cr 3,695	7,549	7,549	0	0
Non General Fund Recharges	Cr 730	30	Cr 700	Cr 700	0	0
Total Portfolios (see note 1)	200,245	2,742	202,987	199,662	Cr 3,325	Cr 1,058
Adj for Carry Forwards from 2017/18 to 2018/19	0	0	0	1,459	1,459	1,271
Capital, Insurance & Pension Accounting Requirements	Cr 9,901	3,665	Cr 6,236	Cr 6,207	29	0
	190,344	6,407	196,751	194,914	Cr 1,837	213
Central Items:						
Income from Investment Properties	Cr 9,854	0	Cr 9,854	Cr 10,465	Cr 611	Cr 169
Interest on General Fund Balances	Cr 2,891	0	Cr 2,891	Cr 4,049	Cr 1,158	Cr 600
Total Investment Income	Cr 12,745	0	Cr 12,745	Cr 14,514	Cr 1,769	Cr 769
Contingency Provision (see Appendix 4)	14,957	Cr 10,011	4,946	0	Cr 4,946	Cr 660
Other central items						
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
West Wickham Leisure Centre & Library Redevelopment	0	993	993	993	0	0
Set Aside 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
LRB Receipts	0	0	0	Cr 50	Cr 50	0
Subject to Approval Executive 21st May 2018						
Transformation Fund	0	0	0	2,000	2,000	0
Investment Fund	0	0	0	2,609	2,609	0
Growth Fund	0	0	0	2,319	2,319	0
Financial Planning & Risk Reserve	0	0	0	5,000	5,000	0
Total other central items	12,530	4,493	17,023	28,901	11,878	0
Carry Forwards from 2017/18 to 2018/19	0	0	0	Cr 1,459	Cr 1,459	Cr 1,271
Prior Year Adjustments						
Car Leasing Holding Account	0	0	0	Cr 250	Cr 250	0
Council Tax Benefit Adjustments	0	0	0	Cr 66	Cr 66	0
Total Prior Year Adjustments	0	0	0	Cr 316	Cr 316	0
Total all central items	14,742	Cr 5,518	9,224	12,612	3,388	Cr 2,700
Bromley's Requirement before balances	205,086	889	205,975	207,526	1,551	Cr 2,487
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	0	0	1,980
Revenue Support Grant	Cr 10,855	0	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 38,824	Cr 2,319	Cr 238
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 121	208	185
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	560 (see note 3)
2) Capital, Insurance & Pension Accounting Requirements	Cr 3,665 (see note 2)
3) Allocations from the central contingency provision	5,847 (see Appendix 4)
	<u>2,742</u>

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2017/18 Original Budget £'000	Budget Variations allocated in year # £'000	2017/18 Final Approved Budget £'000	2017/18 Provisional Final Outturn £'000	Variation £'000	Variation previously reported to Executive £'000
Education Care & Health Services	120,534	6,114	126,648	127,811	1,163	848
Environment & Community Services	54,785	Cr 852	53,933	51,340	Cr 2,593	Cr 1,226
Chief Executive's Department	24,926	Cr 2,520	22,406	20,511	Cr 1,895	Cr 680
	200,245	2,742	202,987	199,662	Cr 3,325	Cr 1,058

2) **Capital, Insurance and Pension Accounting Requirements**

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 & Executive Director of Education, Care and Health Services

Care Services Portfolio

- 1.1 The Care Services Portfolio has an overspend of £230,000 for the year.
- 1.2 In Adults' Social Care, there was a very ambitious efficiency programme which saw the department realise efficiency savings in the context of an ageing population of older people in the borough.
- 1.3 There remain pressures within the domiciliary care area, as we see increasing numbers of people supported to live at home compounded with an increasing reliance on assessments and care management packages to support older people to live independently. Underspends in other areas within the department and the utilization of the Better Care Fund with our health colleagues helped in mitigating these pressures overall.
- 1.4 The end of year position in housing services was an overspend of £568,000 which was as a result of provisions made for bad debts arising mainly from the roll out of universal credit, increases in the levels of homelessness and increases in the cost of the provision. Underspends in other areas help mitigate the pressures overall.
- 1.5 A strategic decision was made by the Leadership Team of the department not to deliver some aspects of the Programmes Division's work plan and also not to recruit to a number of posts in the Strategic and Business Support Division as a way of mitigating the departmental overspend. As such, the Programmes Division had an underspend of £227,000 and the Strategic Business Support Services had an underspend of £318,000. These underspends helped to mitigate the pressures in Adults' Social Care and in Housing. The position in Public Health was a nil variance and the division delivered its core functions within the budget envelope.
- 1.6 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 roll out of Universal Credit in 2018/19
 - vii) Potential funding issues in school nursing area of Public Health

Education, Children & Families Portfolio

- 1.7 The Education, Children and Families Portfolio has an overspend of £925,000 for the year.
- 1.8 The Education Division had an overspend of £55,000. Two areas namely, adult education and strategic services had overspends of £141k and £196k respectively. This again was mitigated by the strategic decision not to recruit to certain posts and also not to deliver a number of work plans within the division. The additional costs of running the two nurseries also contributed to the divisional overspend as the budget of £172k for running the nurseries was removed in this financial year as an efficiency saving.
- 1.9 SEN transport continues to see pressures emerge, although steps are being taken to address this as far as possible. Increased numbers of children with complex needs requiring EHC plans led to additional services being provided to these children. There is a root and branch review of SEND currently underway which will include a review of all high needs block.

- 1.10 In Children's Social Care the overspend of £870k was due to the increased number of children in care which increased by 22 children from April 2017 to March 2018. The increase in the number of children in care was due mainly to safeguarding concerns. In addition, the division has to employ a number of agency social workers to deal with the increased workload following the Ofsted inspection and in managing legacy cases.
- 1.11 To mitigate this Placement Panels are scrutinising placements and are ensuring that the CCG contribute an appropriate share of the costs. In terms of recruitment, a push is being made to recruit more staff permanently and hiring restrictions are in place to limit the costs of agency staff coming into the organisation.
- 1.12 The risks in the Education, Children & Families 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 (SEND).
 - iv) Impact of Social Work Act 2017 implementation.
 - v) Income from partners reducing.
 - vi) School place issues.
 - vii) Increases in the number of Children Looked After (CLA).

2 Comments from the Executive Director of Environment and Community Services

Environment Portfolio

- 2.1 The Environment Portfolio has a net underspend of £1,831k for 2017/18. This is mainly from two areas - Waste (£851k) and Parking (£580k). Other net variances across the Portfolio total Cr £400k.
- 2.2 The variances in waste are for waste disposal costs, green garden waste service, defaults and recycling material income. Waste tonnages are unpredictable and therefore the variances may not continue in future years.
- 2.3 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 therefore the current level is unlikely to be maintained in future years.
- 2.4 Other variances across the Portfolio mainly include staff vacancies, various one-off additional income and delays undertaking works on Park infrastructure and Cleansing due to adverse weather conditions. Requests have been made to the Executive to approve carry forward requests totalling £280k of the under spend. These include £80k to procure additional support for evaluation expertise on the Environment contracts, £120k previously set aside for developing a direct debit system for Green Garden Waste, and £80k to enable Park infrastructure works to be completed in 2018/19.

Renewal and Recreation Portfolio

- 2.5 The Renewal and Recreation Portfolio has a net underspend of £336k for 2017/18. £208k of this relates to underspends on projects funded from the New Homes Bonus monies, which will be carried forward subject to formal approval by the Executive. The remaining under spend of £128k is mainly due to staff vacancies.

2.6 **Analysis of Risks**

2.6.1 **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. 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 fluctuations in both Enforcement income and income from On and Off Street Parking, but this is difficult to quantify. Income on streetworks 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.

2.6.2 **Renewal and 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.

2.6.3 **Public Protection & Safety Portfolio**

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

3 **Comments from the Director of Corporate Services (Resources Portfolio) including Risk Areas**

3.1 Excluding the carry forward requests of £498k for the GDPR work and Member IT equipment, Corporate Services is showing a net over spend of £75k. This is made up of a net underspend of £168k across the Corporate Services Division, as outlined in the 'Reasons for Variations', and an overspend of £243k for legal services.

3.2 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 there were 74 sets of proceedings issued. Of the cases issued, one case was particularly complex, involving a family with 6 children which has to date incurred costs in the region of £26k. A court fee of £2,025 is payable on each case which means that with an additional 27 cases being issued there has been an additional cost of £54,675. The only way to avoid this would have been not to issue proceedings, which is not a realistic option.

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.

- 3.3 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 were filled with 3 new lawyers with advocacy experience. One has now moved on and a replacement is being sought. The lawyers in place 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 and the amount of time available for in-house advocacy. 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 and if caseloads continue at the present level as is likely then a similar financial position will present itself next year.
- It should be noted that £108k has also been released from the central contingency for legal costs associated with homelessness which is also available until 2021/22, if required.

Care Services Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Division Service Areas	2017/18 Original Budget £'000	2017/18 Final Approved £'000	2017/18 Provisional 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	21,477	22,604	23,836	1,232	1	1,134	1,417
1,119	Direct Services	1,073	422	406	Cr 16	2	3	0
1,258	Commissioning & Service Delivery	548	0	0	0		0	0
31,032	Learning Disabilities	30,875	31,179	32,070	891	3	840	2,286
5,588	Mental Health	6,063	5,966	6,018	52	4	105	194
Cr 472	Better Care Funding - Protection of Social Care	0	0	Cr 1,009	Cr 1,009	5	Cr 808	0
0	Better Care Fund / Improved Better Care Fund	0	0	Cr 935	Cr 935	6	Cr 935	Cr 629
60,537		60,036	60,171	60,386	215		339	3,268
Operational Housing								
0	Enabling Activities	Cr 1	Cr 1	0	1		0	0
Cr 2,018	Housing Benefits	Cr 1,945	Cr 1,945	Cr 1,838	107	7	0	0
7,128	Housing Needs	6,299	7,455	8,074	619	8	101	274
1,107	Supporting People	1,072	1,072	913	Cr 159	9	Cr 86	Cr 65
6,217		5,425	6,581	7,149	568		15	209
Programmes								
206	Programmes Team	343	1,888	1,639	Cr 249		Cr 182	0
2,064	Information & Early Intervention	2,960	3,709	3,152	Cr 557		Cr 528	0
Cr 2,064	- Net Expenditure	Cr 2,960	Cr 3,709	Cr 3,152	557		528	0
	- Recharge to Better Care Fund							
20,010	Better Care Fund	20,428	21,693	21,680	Cr 13		0	0
Cr 20,154	- Expenditure	Cr 20,589	Cr 21,854	Cr 21,819	35	10	0	0
	- Income							
0	Improved Better Care Fund	0	4,184	4,184	0		0	0
0	- Expenditure	0	Cr 4,184	Cr 4,184	0		0	0
	- Income							
320	NHS Support for Social Care	0	28	28	0		0	0
Cr 320	- Expenditure	0	Cr 28	Cr 28	0		0	0
	- Income							
62		182	1,727	1,500	Cr 227		Cr 182	0
Strategic & Business Support Services								
261	Learning & Development	267	301	300	Cr 1		0	0
2,000	Strategic & Business Support	2,156	2,278	1,961	Cr 317	11	Cr 276	0
2,261		2,423	2,579	2,261	Cr 318		Cr 276	0
Public Health								
15,159	Public Health	15,103	15,103	15,103	0		Cr 121	0
Cr 15,478	Public Health - Grant Income	Cr 15,096	Cr 15,096	Cr 15,096	0		121	0
Cr 319		7	7	7	0		0	0
68,758	TOTAL CONTROLLABLE ECHS DEPT	68,073	71,065	71,303	238		Cr 104	3,477
Cr 581	TOTAL NON CONTROLLABLE	360	2,208	2,208	0		79	0
6,283	TOTAL EXCLUDED RECHARGES	6,285	5,572	5,572	0		0	0
74,460	TOTAL ECHS DEPARTMENT	74,718	78,845	79,083	238		Cr 25	3,477
Environmental Services Dept - Housing								
213	Housing Improvement	199	202	194	Cr 8	12	7	0
213	TOTAL CONTROLLABLE FOR ENV SVCES DEPT	199	202	194	Cr 8		7	0
Cr 1,149	TOTAL NON CONTROLLABLE	Cr 828	Cr 738	Cr 738	0		0	0
290	TOTAL EXCLUDED RECHARGES	360	376	376	0		0	0
Cr 646	TOTAL FOR ENVIRONMENTAL SVCES DEPT	Cr 269	Cr 160	Cr 168	Cr 8		7	0
73,814	TOTAL CARE SERVICES PORTFOLIO	74,449	78,685	78,915	230		Cr 18	3,477

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
Transfer of Central Placements Team	79
Transfer of funding for posts to / from other Portfolios (net)	56
Funding of additional costs re Liberata contract	Cr 4
Homelessness Temporary Accommodation Drawdown	844
Public Health	
- funding transferred to Chidrens Social Care	Cr 490
- recharge to public health	490
Provision for inflation - Extra Care Housing	11
Flexible Homelessness Support Grant	
- Grant related expenditure	2,107
- Grant related income	Cr 2,107
Homelessness Reduction Grant	
- Grant related expenditure	255
- Grant related income	Cr 255
Homelessness Reduction ACT IT upgrade for new reporting requirements	
- Grant related expenditure	9
- Grant related income	Cr 9
Deprivation of Liberty	28
Merit awards	34
Memorandum Items	
Capital Charges	457
Insurance	Cr 38
Rent Income	146
Repairs & Maintenance	Cr 50
IAS19 (FRS17)	1,417
Excluded Recharges	60
Final Approved Budget for 2017/18	<u>78,685</u>

REASONS FOR VARIATIONS**1. Assessment and Care Management - Dr £1,232k**

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	530
- Savings included in 17/18 budget	500
- Domiciliary Care / Direct Payments	728
- Respite Care	Cr 48
	<u>1,710</u>
Services for 18 - 64	
- Placements	128
- Domiciliary Care / Direct Payments	31
- Respite Care	12
	<u>171</u>
Other Services	
- Adult Transport	Cr 142
- Day Care	Cr 234
- Staffing	Cr 145
- Other budgets	Cr 128
	<u>649</u>
	<u>1,232</u>

The budget for 2017/18 included total savings of £782k in relation to Assessment & Care Management. Overall the service returned with an overspend of £1,232k compared to a projected overspend of £1,134k from the last reported figures in December 2017. Costs in this service are extremely volatile, and include significant budgets relating to client contributions which can change significantly during the year. As previously reported it has been assumed that further management action will continue to take place in the new financial year. These actions were predicated in the full year effect growth assumption figures in 2018/19. Therefore if it is not successful it could lead to an overspend position.

Services for 65+ - Dr £1,710k

Services for the 65 and over age group had the biggest budget pressure with both residential and community placements showing an overspend. Numbers in residential and nursing care finished the year at 418, 27 placements above the budget number of 391. This was no overall change to those reported for December. The overspend on these budgets was £304k. There was also a saving of £500k in the 2017/18 budget which has not been achieved, contributing to the overspend. Also included in the outturn position is a contribution to the provision for bad debts of £226k which has had to be made this year to cover the change in potential non payment of outstanding debt. The budget for respite care was underspent by £48k.

Budgets for domiciliary care have continued to see a pressure during the year, with an increase in the overspend position of £108k since the December monitoring, with the final position being a £472k overspend. This is offset by an increase in the underspend on direct payments to £98k. Additionally a further contribution to the bad debt provision has had to be made in the sum of £354k to ensure there is sufficient provision to cover any likely bad debt.

Increases in debt are a nationwide issue. Since the introduction of the Care Act in 2015, there has been an increase in debts coming through. Any excessive delays will impact on charging (and therefore debt recovery) such as a person lacking capacity to look after their finances or delays in financial assessment referrals from the service. A worker has been employed to go through and manage debt cases and it is envisaged that this pilot will become part of a business case for a permanent post which, it is hoped, will mitigate debt levels and therefore the debt provision in future.

Services for 18 - 64 year olds - Dr £171k

Placements for the 18 - 64 age group are projected to be overspent by £128k, an increase of £20k since December. There has been no change in overall client numbers, with numbers currently 6 above the budget number of 42. Respite care for this age group returned at a £12k overspend.

Domiciliary care and direct payments overspent by £31k, which is a reduction of £109k since December. Domiciliary care ended the year £47k overspent and direct payments was £16k underspent.

Other Services - Cr £649k

Adult transport services outturned with an underspend of £142k. This is as a result of reduced numbers of service users attending day care, also resulting in an underspend on the day care budgets of £234k. There was also management action to freeze certain budgets during the year resulting in a final underspend of £128k against those budgets. Staffing for the assessment and care management teams was £145k underspent as a result of vacancies across the division.

2. Direct Services - Cr £16k

Overall the in-house provider services outturned with a slight underspend of £16k, with minor variations on management salaries (Cr £5k), Carelink services (Cr £12k) and extra care housing (Dr £1k).

3. Learning Disabilities - Dr £891k (net)

There have been significant LD budget pressures this year, including those arising from 2017/18 transition clients, increased complex client needs and clients transferred to Bromley under ordinary residence. In addition, an 'invest to save' team of staff was employed to work on delivering savings but the cost of this team itself added to the cost pressures, although savings generated have more than outweighed this cost (see below).

The outturn variation of Dr £891k comprises an overspend on care packages of £1.3m offset in part by underspends on other costs including care management and transport.

There was a slight increase of £51k in the outturn position compared to the previously reported overspend of £840k. There are many reasons for the movement but, broadly, it can be attributed to slippage in anticipated savings and new / increased care packages offset in part by delays to planned placements and higher than anticipated clawback of direct payments. Although savings achieved in-year were lower than planned, savings in excess of £0.5m were delivered in 2017/18, without which the overspend would have been higher.

The savings slippage has a relatively small impact in 2017/18 but has a more significant effect on the full year overspend, which has increased to £2.286m. If the planned savings are delivered early in the new financial year the effect of this can largely be mitigated. Progress on achieving savings will continue to be monitored closely in 2018/19.

As previously reported it has been assumed that further management action will continue to take place in the new financial year. These actions were predicated in the full year effect growth assumption figures in 2018/19. Therefore if it is not successful it could lead to an overspend position.

4. Mental Health - Dr £52k

The final outturn position for Mental Health is an overspend of £52k compared to a projected overspend of £105k reported in the last budget monitoring report.

The downward movement can be broadly attributed to attrition and lower than planned flexible support services. Similar to LD above, there has also been a small amount of slippage in the delivery of planned savings.

As previously reported it has been assumed that further management action will continue to take place in the new financial year. These actions were predicated in the full year effect growth assumption figures in 2018/19. Therefore if it is not successful it could lead to an overspend position.

5. Better Care Fund - Protection of Social Care - Cr £1,009k

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 underspent by £1,009k in 2017/18 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

6. 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 was used for staffing. The remainder (£440k) was used to offset costs incurred.

7. Housing Benefit - Dr £107k

The Housing Benefits cost centre overspent during 2017/18 due to need for a higher than budgeted provision for write offs being processed during the year. These costs were partially offset by an underspend on running costs.

8. Housing Needs - Dr £619k

The Travellers budget is overspent by £11k as one of the sites is experiencing a high use of utilities (overspend of £47k) due to the site not having meters. There is also a loss of income (£15k) due to particular residents rent arrears. This has been partially offset by an underspend on the staffing and other running costs (£51k) of these sites.

Following a review of the Rent Accounts outstanding debt an increase in the bad debt provision was needed above the level of budget held. The new provision taking into account the increased likelihood of bad debt occurring. The increase was above the available budget by £793k. It is important that the impact of Universal Credit, the introduction of welfare reform and the benefit cap, higher mobility of tenants and the high cost of temporary accommodation is recognised with regard to the collection of rents and the debt levels. There has also been a significant increase in the numbers in temporary accommodation which has also led to an increase in the provision. Additional resource has recently been added to debt recovery to go through the clients with debts and assist in recovery. This is at an early stage so the impact is not yet quantifiable. It is also hoped that the new Orchard Housing IT system will assist in debt recovery. This has been delayed but it is hoped that the system will be in place as soon as possible. The position will need to be closely monitored to consider the impact on future years budgets of the service.

The temporary accommodation budget overspent by £201k at the end of the year. This is a continuing pressure for the council and methods are being looked at to offset the pressure in future years.

Staffing has underspent by £185k due to vacancies during the year and difficulty in recruiting staff during the year.

Running Costs have also underspent due to historical costs pressure being resolved during the year (£96k) and underspends mainly on the purchase of computer equipment and various other running costs (£105k).

9. Supporting People - Cr £159k

There is an underspend of £159k. This is due to renegotiations of the contracts over the last few years which have achieved savings, and the non-payment of a performance related element of the contract.

10. Programmes Division - Cr £227k (net)

The total underspend for the Division is £784k. Of this, £557k relates to social care services protected by Better Care Funding and included at ref 5 above. This has been used to offset other budget pressures within adult social care in line with the intentions of the funding, leaving a net underspend of Cr £227k relating to the rest of Programmes Division. This mainly relates to staffing budgets (part-year vacancies) and is non-recurrent.

Other than variations on the protection of social care element, underspends on other Better Care Fund budgets are being carried forward for spending in future years under the pooled budget arrangement with Bromley CCG.

Following approval at the Executive on 10th October 2017, IBCF funding was released from the central contingency and allocated to the ECHS budget.

The grant for 2017/18 is £4.184m. Expenditure in 2017/18 totalled £1.012m resulting in an underspend of £3.172m, which is partly because allocations were agreed relatively late in the financial year. In line with the report to the Executive, underspends can be carried forward to support expenditure in future years and a request to carry forward £3.172m is included in the carry forwards section of this report.

11. Strategic and Business Support Division - Cr £318k

The underspend is, in the main, due to a combination of a one off freeze on non-essential running expenses across the Division (Cr £111k) and staff vacancies (Cr £181k). The balance of the underspend relates to minor underspends across a number of areas.

12. Housing Improvement Cr £8k

An additional £13k income has been received from renovation grant agency fees earned by the Housing Improvement team. This has been partly offset by £5k overspend on staffing.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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 8 waivers agreed for care placements in adults social care over £50k but less than £100k and 3 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, and would also include placements where there is a third party contributor such as Health.

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 has been one virement actioned for £490,000 from Public Health (£290k) and Adult Social Care (£200k) to Children's Social Care to contribute to the MASH team costs.

Education, Children & Families Portfolio Budget Monitoring Summary

2016/17 Actuals	Service Areas	2017/18 Original Budget £'000	2017/18 Final Approved £'000	2017/18 Provisional 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 360	141	1	89	0
6	Alternative Education and Welfare Service	0	0	0	0		0	0
432	Schools and Early Years Commissioning & QA	372	386	418	32	2	110	0
5,481	SEN and Inclusion	5,864	5,878	5,583	Cr 295	3	Cr 57	0
38	Strategic Place Planning	0	93	95	2		0	0
26	Workforce Development & Governor Services	4	5	6	1		Cr 2	0
Cr 1,274	Education Services Grant	Cr 181	Cr 166	Cr 166	0	4	0	0
425	Access & Inclusion	139	177	185	8		Cr 21	0
Cr 1,134	Schools Budgets	Cr 1,282	Cr 1,282	Cr 1,312	Cr 30	5	0	0
245	Other Strategic Functions	127	94	102	196	6	163	0
4,104		4,537	4,496	4,551	55		282	0
	Children's Social Care							
1,516	Bromley Youth Support Programme	1,454	1,415	1,248	Cr 167	7	Cr 105	0
1,147	Early Intervention and Family Support	1,042	1,048	686	Cr 362	8	Cr 87	0
4,041	CLA and Care Leavers	4,227	4,331	4,912	581	9	472	101
12,974	Fostering, Adoption and Resources	12,818	12,780	13,592	812	10	553	647
3,757	Referral and Assessment Service	2,981	2,910	2,833	Cr 77	11	24	0
3,056	Safeguarding and Care Planning East	2,405	2,416	2,176	Cr 240	12	Cr 223	0
4,020	Safeguarding and Care Planning West	3,645	3,724	3,874	150	13	Cr 17	0
2,825	Safeguarding and Quality Improvement	4,250	4,117	4,290	173	14	Cr 25	0
33,336		32,822	32,741	33,611	870		592	748
37,440	TOTAL CONTROLLABLE FOR EDUCATION & CHILDREN'S SERVICES	37,359	37,237	38,162	925		874	748
Cr 8,263	Total Non-Controllable	2,029	3,257	3,257	0		Cr 4	0
6,911	Total Excluded Recharges	6,428	7,309	7,309	0		0	0
36,088	TOTAL EDUCATION & CHILDREN'S SERVICES PORTFOLIO	45,816	47,803	48,728	925		870	748
	Memorandum Item							
	Sold Services							
Cr 134	Education Psychology Service (RSG Funded)	Cr 19	Cr 19	29	48	} 15	58	0
Cr 16	Education Welfare Service (RSG Funded)	Cr 35	Cr 35	7	42		43	0
11	Workforce Development (DSG/RSG Funded)	Cr 5	Cr 4	3	7		8	0
3	Governor Services (DSG/RSG Funded)	0	0	0	0		0	0
16	Community Vision Nursery (RSG Funded)	Cr 14	Cr 14	43	57		72	0
82	Blenheim Nursery (RSG Funded)	14	15	75	60		80	0
Cr 38	Total Sold Services	Cr 59	Cr 57	157	214		261	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
Commissioning Support Officer Post	Cr 7
Head of Policy, Projects & programmes Post from CSC to Strategy	Cr 40
PA to deputy Chief Exec post from CSC to Strategy	Cr 19
Transfer of central Placements Team from CSC to Programmes	Cr 79
SEND staffing funding transfer to Education	10

Public Health		
- funding transferred from Public Health		490
- recharge to Public Health	Cr	490
Part funding from Chief Executives Division towards post in CSC		40
Residual share of South London Connexions Consortium balance	Cr	51
ESG Contingency		15
UASC Grant		
- expenditure		141
- income	Cr	141
Merit awards		56
Items Requested this Cycle:		
Tackling Troubled Families		
- expenditure		80
- income	Cr	80
Memorandum Items		
Capital Charges	Cr	1,880
Insurance	Cr	2
Rent Income	Cr	4
Repairs & Maintenance	Cr	18
IAS19 (FRS17)		3,118
Excluded Recharges		647
Latest Approved Budget for 2017/18		47,803

REASONS FOR VARIATIONS**1. Adult Education - Dr £141k**

The overspend in Adult Education is mainly due to the increased spend on sessional tutors and a decrease in the expected income. The overspend on sessional tutors (£107k) is due to an increase in the volume of non-fee paying courses targeted at disadvantaged adults and local communities. The main purpose of the community learning element of the ESFA grant is to provide provision to support vulnerable communities and any reduction in this priority area risks a reduction in the future allocation of the grant.

The Proportion of fee income generating provision reduced (by £42k) as part of the service restructure. Loss of specialist facilities has reduced the range of courses offered.

These overspends are being partly offset by an underspend of £8k on the running costs of the service

2. Schools and Early Years Commissioning & QA - Dr £32k

There is a pressure of £117k 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 in its calculation. 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 underspent by £33k that is due to the collection of additional income (£11k) and underspends on both Staffing (£5k) and running costs (£17k).

School Standards has underspent by £52k that is due to the collection of additional income (£23k) from Academies and underspends on both Staffing (£13k) and running costs (£16k).

3. SEN and Inclusion - Cr £295k

SEN Transport is currently forecast to underspend by £288k. This is due to underspends in staffing costs (£35k), the over collection of income (£89k) and a reduction in transport costs (£173k). These underspends are offset by the overspends to the other running costs (£9k).

The Education Psychologists have had issues recruiting to vacant posts in their team during the year. This has caused the statutory service that we are required to provide to be underspent by £72k and the Trading Service the service they offer to the Schools to be overspent by £48k due to the use of expensive agency staff to provide the service. This is a net underspend of £24k.

The Special Education Needs area is currently forecasting an overspend of £48k. 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.

The costs relating to the Head of Service has come in underspent by £24k during the year due to a change in the management of the service.

There are other small variances that total an underspend of £7k.

4. Education Services Grant - Dr £0k

The final payments of the Education Services Grant (ESG) was £15k lower than the original estimated allocation of £181k. The ESG allocation is re-calculated at the end of the grant to take into account any schools converting to academies during the year. The shortfall was drawn down from the contingency to cover the loss so there is no variation to report. The ESG grant funding has now ceased and will not continue into 2018/19.

5. Schools Budgets (Cr £30k)

There is an overall variance on the Schools Budgets this year on controllable expenditure. This is offset by an overspend on non-controllable expenditure due to more overheads being charged to the DSG budgets. The overall bottom line is balanced and the effect on the General Fund is zero.

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

The DSG underspent by £32k this year. This will be added to the £1,623k carried forward from 2016/17. The carry forward figure has been adjusted by an Early Year fund adjustment which has reduced the amount we received in 2016/17 by £475k. This gives an estimated DSG balance of £1,180k at the end of the 2017/18 financial year.

The in-year underspend on the DSG of £32k is broken down as follows:-

Free Early Years Education has underspent by £424k this year. The budget for the 2 year old children has overspent by £60k and this is being offset by an underspend for 3 & 4 years old children funding (in both original 15 hours and the new additional 15 hours allocations) of £484k. Due to the underspend in this area it is expected that there will be an element of clawback by DfE in the DSG in the new financial year. The final amount will depend on the impact of the Early Year Census that took place January. Any adjustment will be made retrospectively.

Early Years have also underspent by £105k in the support costs. This is due to a £62k underspend in funding set aside for supporting the introduction of the additional 15 hours and an underspend of £43k in the Disability Access Fund.

The Primary Support Team are currently projecting a £39k underspend due to the service having vacant posts while the service is re-designed (£17k) and underspends on running costs of (£22k).

There is a pressure of £58k on the DSG due to the increase in the rates bills for the maintained schools. The DSG must fund these increases.

The Home and Hospital service has overspent by £279k due to the splitting out of the Nightingale school from the service and general pressures overall. The Home and Hospital service is in the process of being reviewed.

There is an underspend of £98k in the Pupil Support Services area. This is due underspends on running costs (£35k) - mainly due to the under use of agency and consultancy costs to provide the service, and staffing underspends of (£63k).

The Education Welfare service has underspent of £37k due to higher than expected income collection (£17k), underspends on staffing by (£8k) and running costs of (£12k).

The Access & Admissions has overspent by £35k due to higher than expected staffing costs (£54k) that are being offset by underspends on running costs of £19k.

As part of the DSG budget we were expecting £275k income from the schools relating to Excluded Pupils. This income didn't reach the expected level and therefore it has caused a pressure of £129k for the year.

There has been an underspend of £58k on the council's Education Management costs. Staffing costs were underspent by £13k and running costs underspent by £45k.

The original estimate High Need Recoupment at the start of the year was underestimated by £490k. This was adjusted from the overall DSG allocation

SEN placements have overspent by a total of £45k. The overspend was caused by the Maintained Day (£519k), Independent Day (£142k), and Alternative Programmes (£102k). These overspends are then offset with underspends on Independent Boarding Schools (£552k), Maintained Boarding Schools (£85k) and increased income (£98k). Additionally there are other minors overspends of £17k.

SEN Support for clients in Further Education Colleges has underspent by £159k this year. This is due to an underspend in the cost of placing clients with Independent providers. This underspend is partially offset by the cost of placements in colleges.

The DSG funded element of SEN Transport has overspent by £119k due to the new routes that were established last year.

The High Needs Pre-School Service is currently holding a number of vacant posts resulting in a £209k underspend. Some of this underspend will be used in the longer term to fund places at the Riverside as the provision for classes will be transferring there.

The Sensory Support Service is underspent by £40k. This is due to lower than budgeted staffing costs.

A number of areas (SIPS, Early Years Programme, Specialist Support & Disability Service and Outreach & Inclusion Services) have underspent during the year. Darrick Wood Hearing Unit has overspent during the same timeframe. Most of the underspends relate 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. Darrick Wood overspends are due to high use of teachers and casual classroom assistants. The total of all of these is an overspend of a £4k.

There is also a total small balance of underspends of £22k. This consists of £10k underspend in the SEN heading, and £12k underspend from the non-SEN headings.

	Variations	£'000
Free Early Education - 2 year olds		60
Free Early Education - 3 & 4 year olds (inc extra 15 hours)	Cr	484
Early Year Support	Cr	62
Disability Access Fund	Cr	43
Primary Support Team	Cr	39
Schools Rates		58
Home & Hospital		279
Pupil Support Services	Cr	98
Education Welfare Officers	Cr	37
Access & Admissions		35
Pupil Referral Costs		129
Central Management costs	Cr	58
High Need Recoupment		490
Other Small Balances	Cr	12
SEN:		
- Placements		45
- Support in FE colleges	Cr	159
- Transport		119
- High Needs Pre-school Service	Cr	209
- Sensory Support	Cr	40
- SIPS	Cr	30
- Darrick Wood Hearing Unit		100
- Specialist Support & Disability Service	Cr	12
- Outreach & Inclusion Service	Cr	43
- Early Support Programme	Cr	11
- Other Small SEN Balances	Cr	10
	Cr	<u>32</u>

6. Other Strategic Functions - Dr £196k

£85k of the overspend relates to the additional cost of the Widmore Centre prior to the EFA taking over the site. The costs cover the Business Rates and the utilities for the building. The transfer of the property to the EFA took longer than was anticipated.

There is a pressure of £111k due to a saving target allocated to Education at the start of the year that has not been identified.

Children's Social Care - Dr £870k

The main areas of under / overspending are shown below. Staffing expenditure remains an issue going forward with considerable overspends on staffing across the division (highlighted in each service area below). There is an ongoing drive to recruit permanent staff which has driven agency numbers down, but levels of agency staff are still significant as numbers have not fallen as fast as expected. This has contributed significantly to the overspend due to the high cost of employing agency staff compared to permanent staff.

As previously reported it has been assumed that further management action will continue to take place in the new financial year. These actions were predicated in the full year effect growth assumption figures in 2018/19. Therefore if it is not successful it could lead to an overspend position.

7. Bromley Youth Support Programme - Cr £167k

There is a final underspend of £142k on staffing across the programme areas including £115k within the Youth Offending Service, mainly as a result of vacant posts not covered by agency staff. Running costs across the service underspent by £51k and the release of a provision in relation to the Connexions service which is no longer required added £100k to the underspend. Offsetting this is an overspend of £126k on income, mainly due to reduced income from schools (£108k).

8. Early Intervention and Family Support - Cr £362k

The Family Support and Contact centres and the Bromley Children's project outturned with an underspend of £362k. In November 2016, a freeze was initiated on running expense budgets that were underspending at that time. Due to the continued overspend in the division it was decided that this would be replicated for 2017/18, with a target of £350k to be saved across the division. The share for this service to be identified was £114k. This was exceeded and the final underspend on running expenses was £226k. In addition there were underspends on staffing and overachievement of income that has contributed to the overall final position. An analysis of the full underspend is shown below:

- Staffing - Cr £105k
- Premises costs - Cr £55k
- Car allowances - Cr £16k
- Supplies and Services - Cr £51k
- Commissioned services - Cr £79k
- Payments to service users - Cr £25k
- Income overachievement - Cr £31k

9. CLA and Care Leavers - Dr £581k

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 overspent by £47k. Costs have increased over the past year as children were having to be placed in accommodation with higher levels of support than they previously had, although action was taken to reduce these costs with some success.

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 an overspend of £357k. Some additional one off funding had been identified that has offset some of the increased costs in this area.

In addition expenditure relating to the 'Staying Put' grant, where care leavers can remain with their foster carers after the age of 18, overspent by £226k against a grant provision of £113k.

In January 2018 the government announced additional funding to support unaccompanied asylum seeking children. Bromley's share of this funding is £141k, and this has been allocated to the budget to offset some of the unfunded costs of uasc's.

Other costs relating to care leavers overspent by £38k.

Staffing - Dr £54k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level.

10. Fostering, Adoption and Resources - Dr 812k

The budget for children's placements overspent by £812k at year end. This amount is analysed by placement type below:

- Community Homes / Community Homes with Education - Cr £124k
- Boarding Schools - Dr £55k
- Secure Accommodation & Youth on Remand - Dr £224k
- Transport & Outreach services - Dr £136k
- Fostering services (IFA's) - Dr £1,033k
- Fostering services (In-house, including SGO's and Kinship) - Dr £147k
- Adoption placements - Dr £161k

In addition to the variations above, Bromley CCG had allocated additional funding of £750k as a contribution towards the continuing care costs of placements. Additionally, funding of £140k has been secured this year from the Public Health budget 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.

Staffing - Dr £70k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level.

11. Referral and Assessment - Cr £77k**No Recourse to Public Funds - Cr £131k**

The final cost to Bromley for people with no recourse to public funding is an underspend of £131k. 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 resulting in a higher underspend compared to the December position.

Other variations - Cr £42k

Other costs relating to the service underspent by £42k.

Staffing - Dr £96k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level.

12. Safeguarding and Care Planning East - Cr £240k**Public Law Outline - Court Ordered Care Proceedings - Cr £389k**

Costs in relation to care proceedings were £389k 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. Projections during the year identified reduced costs, which are reflected in the final position.

Staffing - Dr £134k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level.

Other costs relating to the service overspent by £15k.

13. Safeguarding and Care Planning West - Dr £150kStaffing - Dr £343k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level.

Additional funding - Cr £125k

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

Various Expenditure Budgets - Cr £68k

In November 2016, a freeze was initiated on running expense budgets that were underspending at that time. Due to the continued overspend in the division it was decided that this would be replicated for 2017/18, with a sum of £68k being identified this year.

14. Safeguarding and Quality Improvement - Dr £173kStaffing - Dr £460k

Staffing costs continued to put pressure on the budgets during the year 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. Further recruitment efforts need to be successful in order to reduce agency levels and therefore bring spend down to a more manageable level. This budget holds the bulk of the Post Inspection additional funding, the majority of these posts are filled by agency staff so would incur costs above the budget provision.

Additionally, funding of £350k has been secured this year from the Public Health budget which will offset the overall costs.

Other Expenditure - Dr £63k

Other expenditure overspent by £63k during the year including £20k relating to the purchase of IT equipment and £32k on subscriptions to organisations. There are other general overspends of £11k.

15. 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 exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning 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 5 waivers agreed for care placements in children's social care over £50k but less than £100k and 6 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, and would also include placements where there is a third party contributor such as Health.

Since the last report to the Executive, there have been no waivers in the Education area.

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 there has been one virement actioned for £490,000 from Public Health (£290k) and Adult Social Care (£200k) to Children's Social Care to contribute to the MASH team costs.

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive, 1 virement have been actioned and was for the allocation of the new School Improvement Grant.

Environment Portfolio Budget Monitoring Summary

2016/17 Actuals £'000	Service Areas	2017/18 Original Budget £'000	2017/18 Final Approved £'000	2017/18 Provisional 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	5,071	Cr 101	1	Cr 3	0
290	Street Regulation and Enforcement incl markets	372	355	243	Cr 112	2	Cr 53	0
17,009	Waste Services	17,661	17,781	16,930	Cr 851	3	Cr 367	0
4,206	Street Environment	4,261	4,272	4,103	Cr 169	4	Cr 20	0
804	Management and Contract Support	871	944	907	Cr 37	5	64	0
632	Transport Operations and Depot Management	680	689	706	17	6	Cr 4	0
877	Trees	736	766	801	35	7	0	0
28,995		29,775	29,979	28,761	Cr 1,218		Cr 383	
	Parking Services							
Cr 7,425	Parking	Cr 7,468	Cr 7,313	Cr 7,893	Cr 580	8-13	Cr 288	0
Cr 7,425		Cr 7,468	Cr 7,313	Cr 7,893	Cr 580		Cr 288	0
	Transport & Highways							
245	Traffic & Road Safety	318	328	286	Cr 42	14	25	0
8,971	Highways (including London Permit Scheme)	6,554	6,580	6,589	9	15	80	0
9,216		6,872	6,908	6,875	Cr 33		105	0
30,786	TOTAL CONTROLLABLE	29,179	29,574	27,743	Cr 1,831		Cr 566	0
8,165	TOTAL NON-CONTROLLABLE	5,468	6,601	6,601	0		Cr 231	0
2,394	TOTAL EXCLUDED RECHARGES	2,244	2,323	2,323	0		0	0
41,345	PORTFOLIO TOTAL	36,891	38,498	36,667	Cr 1,831		Cr 797	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)	
- Approved by Exec 9.8.17	79
- Delay in recruitment	Cr 61
Non - Controllable R&M - Water Treatment	52
Business Rates revaluation	182
Waste 4 Fuel DRF (Exec 19.07.17)	47
Pothole Action Fund Expenditure	113
Pothole Action Fund Income	Cr 113
Merit Awards	28
Memorandum Items	
Capital Charges	614
Insurance	25
Rent Income	Cr 44
Repairs & Maintenance	Cr 138
IAS19 (FRS17)	511
Excluded Recharges	79

Latest Approved Budget for 2017/18 **38,498**

REASONS FOR VARIATIONS**1. Parks and Green Spaces Cr £101k**

Overall Parks and Green Spaces had a net underspend £101k. There was an underspend of £17k on staffing as a result of part year vacancies and £80k was intended to be spent on park strategy development and infrastructure works, however, this was delayed as staff were involved in the preparation of documents for the Environment Contract.

There were other minor underspends of £4k across the service.

Summary of variations within Parks and Green Spaces	£'000
Underspend on Staffing	Cr 17
Delay on Park strategy development and infrastructure works	Cr 80
Other net variations	Cr 4
Total variation for Parks and Green Spaces	Cr 101

In year plans were in place to carry out additional works to park infrastructure. Due to a lack of staffing capacity to procure the additional works coupled with the poor weather, the infrastructure works planned to be completed during quarter 4 could not be progressed. Officers are therefore seeking approval to carry forward £80k to complete the works in 2018/19.

2. Street Regulation and Enforcement incl markets Cr £112k

This variation is made up of additional income of £43k received from the sale of promotional space within Bromley Town Centre, an underspend of £22k due to part year vacancies and additional income of £14k from market stalls.

As a result of successful debt recovery processes, income was received from some outstanding debts relating to markets and therefore £33k was released from the bad debt provision.

Summary of variations within Street Regulation and Enforcement:	£'000
Additional advertising income	Cr 43
Underspend on Staffing	Cr 22
Release of bad debt provision	Cr 33
Income from markets	Cr 14
Total variation for Street Regulation and Enforcement	Cr 112

3. Waste Services Cr £851k

Overall tonnage was 3,550 tonnes below the current budgeted tonnage and that received for last year. The reduction was mainly for recycling tonnage (2,960 tonnes). As a result, contract disposal costs were £284k below budget.

Paper tonnage dropped below 12,000 tonnes for the first time in a number of years, resulting in a deficit of £67k. The most significant drop occurred during the last 4 months of the year, where tonnage was well below the normal monthly average of 1,050 tonnes. This was partly offset by an additional income of £11k received for paper tonnage relating to previous years.

Income from trade waste that came in across the weighbridges increased far more than previously expected in the remaining 3 months of the year, resulting in additional income of £53k above budget.

Other recycling income was £49k above budget. This was mainly due to an increase in the market price of recyclates as well as a small increase in recycling tonnage.

Across the garden waste collection services, there was an underspend of £227k. This included an underspend of £66k related to a lower use of the sixth vehicle during the year. Other net underspends total £16k mainly due to fewer containers being purchased than originally budgeted for. Sales of green garden waste stickers have not dropped off as much as in previous years and additional income of £24k has been received. A net increase in the number of wheelie bin customers in 2017/18 has resulted in extra income of £121k.

The Coney Hill contract has overspent by £8k as the gas extraction system had to be upgraded.

The waste collection contract has underspent by £61k as there has been a reduction in large scale fly tipping incidents over 3m³ and a reduction in the emptying of recycling banks.

Additional legal advice was procured in relation to the Environmental Services Tender totalling £23k.

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

During the year 16,540 tonnes were diverted from landfill and disposed of using a Mechanical Biological Treatment. This resulted in a saving of £55k.

Overall there was an underspend of £81k across all of the waste container budgets as there were sufficient numbers held in storage at the end of the year and therefore further procurement was not required.

£28k has been used to upgrade the IT systems at the Central Depot client offices, ensuring both current reliability and development potential as future contract systems are implemented.

Costs of £16k were incurred for a depot review carried out by C & W.

Additional commissioning project support was needed to ensure the tight deadlines for publishing the Environment contract were met Dr £20k .

Additional income of £33k was received due to an increase in special collections required by residents and extra trade waste collection customers.

Other minor variances across the service total Dr £11k.

On 28 March 2018 Executive agreed in principle to carry forward £120k to develop a direct debit system for the GGW service during next year. The debt management system has recently gone live and therefore the work required to enable direct debit payments to be taken for the GGW service will not start until April 2018. Formal approval of the carry forward is now sought.

Summary of overall variations within Waste Services		£'000
Waste disposal costs	Cr	284
Additional MBT (Mechanical Biological Treatment) income	Cr	55
Income from recycled paper		56
Other recycling Income	Cr	49
Green Garden Waste Service	Cr	227
Waste collection contract	Cr	61
Settlement with Veolia	Cr	50
Coney Hill		8
Depot review by C & W		16
Legal advice for the Environment contract		23
Trade Waste Delivered income	Cr	53
Waste containers	Cr	81
IT systems upgrade at Central Depot offices		28
Additional commissioning project support for the Environment contract.		20
Income from special collections and trade waste collections	Cr	33
Other variances across the service		11
Carry forward of underspend re green garden waste direct debits	Cr	120
Total variation for Waste Services	Cr	851

4. Street Environment Cr £169k

Although there were plans in place to spend the cleansing contingency and gully cleansing budget, delays occurred due to adverse weather conditions and part year vacancies. This has resulted in an underspend on the cleansing contract of £30k and £80k on the gully cleaning contract. This was used to fund the additional D ring cleansing costs of £64k, instead of drawing down funding from the earmarked reserve set aside for Members' Initiatives.

A provision of £39k was released that had been set aside for the demolition works of the public conveniences. The demolition of Chislehurst public convenience was funded by the property planned programme budget during 2017/18 and all other buildings are now expected to be sold rather than demolished, and therefore this provision was no longer required.

During the year there was a reduction in the amount of graffiti removal works required, resulting in an underspend of £39k.

There was an underspend of £22k on staffing due to part year vacancies and other minor variations totalled Cr £23k.

Summary of variations within Street Environment:		£'000
Underspend on Gully cleaning and Cleansing	Cr	110
D Ring Cleansing		64
Release of provision for outstanding demolition works at Public Conveniences	Cr	39
Underspend on Graffiti Removal	Cr	39
Underspend on Staffing	Cr	22
Other net variations	Cr	23
Total variation for Street Environment	Cr	169

5. Management and Contract Support Cr £37k

Part year vacancies have resulted in an underspend of £41k partly offset by some minor variations totalling Dr £4k.

Executive on 28th March 2018 agreed in principle to carry forward £80k on the underspend within Street Scene & Green Spaces to procure additional support and evaluation expertise for the waste contracts in 2018/19, when the majority of the contract evaluation will take place. Formal approval is now sought.

6. Transport Operations and Depot Management Dr £17k

Additional resurfacing works were carried out at the depot costing £42k. This was partly offset by an underspend of £25k, mainly due to part year vacancies.

7. Trees Dr £35k

The arboriculture service budget has overspent by £35k due to health and safety remedial works associated with stormy weather and extra trees being planted.

8. Income from Bus Lane Contraventions Cr £434k

There was a net surplus of £422k on the redeployable automated cameras in bus lanes for 2017/18 due to a higher number of contraventions than expected. It is unlikely that this level of activity will continue in 2018/19, as it is anticipated that the numbers of contraventions in bus lanes will reduce in the future due to increased compliance. Other minor net underspends totalled £12k.

9. Off/On Street Car Parking Dr £66k

Overall there was a net overspend of £66k for Off and On Street parking.

There was a deficit of £225k for Off Street Parking income. This was mainly due to a reduction in usage and initial problems with the new Parking contract, which started in April. These contract issues included car park cleaning, cash collection and counting, and resulted in defaults of £24k being applied. These issues now seem to have been resolved. This was partly offset by £38k surplus income for On Street Parking.

A delay with the roll out of additional On Street Parking bays has resulted in a shortfall of income of £53k.

Additional income of £74k was received from cashless parking fees, as the use of this service continues to grow.

£47k extra income was received from the suspension of existing parking restrictions and other minor underspends across the service total £29k.

This overall overspend for Off and On Street Car parking within the Parking budget is detailed below: -

Summary of variations within Off/On Street Car Parking	Off St £'000	On St £'000	Total £'000
Off/On Street Car Parking income	225 Cr	38	187
Level of Defaults applied to contract	Cr 23 Cr	1 Cr	24
Delay in roll out of additional On Street parking bays	0	53	53
Additional income from Ring Go fees	Cr 27 Cr	47 Cr	74
Additional income from suspensions	0 Cr	47 Cr	47
Other minor variations	4 Cr	33 Cr	29
Total variations within Off/On Street Parking	179 Cr	113	66

10. Car Parking Enforcement Cr £110k

There was a net deficit of £138k 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 of Civil Enforcement Officers (CEOs). This position continued, although from September this seems to have stabilised and staff were recruited with the necessary skills and abilities to carry out the contract. Defaults of £155k were applied to the Enforcement part of the contract for 2017/18.

There was an underspend of £47k for costs relating to appeal cases heard by the Traffic Committee for London due to a slight reduction in numbers. Other variations total Cr £46k.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	138
APCOA Enforcement defaults	Cr 155
Traffic Committee for London (Appeal cases)	Cr 47
Other net variations	Cr 46
Total variations within Car Parking Enforcement	Cr 110

11. Parking Shared Service Cr £26k

There is a net underspend of £26k for the Parking Shared Service mainly due to vacant posts.

12. Permits Cr £55k

Additional income of £51k was received due to an increase in visitor permits issued and there were other minor variations of Cr £4k.

13. Disabled Parking Cr £21k

The variation of £21k for Disabled Parking was mainly due to an underspend on costs of issuing / renewal of Blue Badges.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 434
Off Street Car Parking	179
On Street Car Parking	Cr 113
Car Parking Enforcement	Cr 110
Parking Shared Services	Cr 26
Permit Parking	Cr 55
Disabled Parking	Cr 21
Total variation for Parking	Cr 580

14. Traffic & Road Safety Cr £42k

There was a shortfall of advertising income of £56k due to delays in obtaining planning permission for the digital display units. This was offset by £98k additional income received from road closure charges, mainly due to additional applications from utilities companies to carry out infrastructure works. It should be noted that it is not expected that the Utilities will submit this volume of applications in future years.

15. Highways- Including London Permit Scheme Dr £9k

There was an overall net surplus of £70k for NRSWA income. This was made up of additional income of £112k for Coring and Section 74 Notices partly offset by the shortfall of income (£42k), from Inspection charges, Fixed Penalty Notices and Defect Notices, as a result of improving performance by utility companies.

There was a net underspend of £69k on drainage works. This has been offset by extra costs of £74k for project management and specialist support, for Lots 6 and 7 of the environment contract and additional agency staff costs of £20k.

Due to the snowfall during February and March, the winter service budgets overspent by £74k.

Other minor underspends across the service totalled £20k.

It should be noted that within Street Lighting, there was a net underspend of £89k on the maintenance and electricity budgets, which was used to pay back the Invest to Save fund.

In February 2018, notification of £226k funding for Pothole Action for 2017/18 and 2018/19 was received from the Department for Transport. This was reported to the Executive on 28th March 2018, and Members agreed a request to carry forward the £113k 2017/18 allocation as a receipt in advance in order to carry out works on repairing potholes during 2018/19.

Summary of Variations within Highways

Additional NR&SWA income	Cr	70
Underspend on Drainage	Cr	69
Project management and specialist support for Lots 6 and 7 (Highways Contract)		74
Overspend on agency staff		20
Overspend on Winter service budget		74
Other minor underspends	Cr	20
Total variations for Highways		9

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 Corporate Services, the Director of Finance and the Director of Commissioning 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 for contract values over £50k have been actioned:

- 1a) £52k to install additional cycle parking at Elmstead Woods (TfL capital scheme) and
- 1b) £35k design works for improvement to Orpington Station Forecourt (TfL capital scheme);
total £115k cumulative spend with contractor.
- 2) £10k to procure additional bike hangers (TfL capital scheme); £180k cumulative contract value.

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 Final Approved £'000	2017/18 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
108	Public Protection Community Safety	142	142	138	Cr 4	1	Cr 2	0
77	Emergency Planning	83	102	96	Cr 6	2	0	0
508	Mortuary & Coroners Service	403	403	447	44	3	60	0
1,187	Public Protection	1,335	1,456	1,265	Cr 191	4	Cr 99	0
1,880	TOTAL CONTROLLABLE	1,963	2,103	1,946	Cr 157		Cr 41	0
270	TOTAL NON CONTROLLABLE	3	250	250	0		0	0
262	TOTAL EXCLUDED RECHARGES	374	391	391	0		0	0
2,412	PORTFOLIO TOTAL	2,340	2,744	2,587	Cr 157		Cr 41	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2017/18

2,340

Additional resources for staffing (Exec 9.8.17)

- Approved by Exec 9.8.17

159

- Delay in recruitment

Cr 31

Proceeds of Crime Act Prosecution grant expenditure

60

Proceeds of Crime Act Prosecution grant income

Cr 60

Merit Awards

12

Memorandum Items

Capital Charges

Cr 12

Insurance

Cr 2

IAS19 (FRS17)

261

Excluded Recharges

17

Latest Approved Budget for 2017/18

2,744

REASONS FOR VARIATIONS**1. Community Safety Cr £4k**

Overall there was a minor underspend of £4k across the Community Safety budgets.

2. Emergency Planning Cr £6k

Within the Emergency Planning service there were minor variations across the service totalling Cr £6k.

3. Mortuary and Coroners Service Dr £44k

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 was no longer required.

Based on the cost information provided by LB Croydon who administer the Coroners Service Consortium, the cost for Bromley for 2017/18 was £394k, an overspend of £124k against a budget of £270k. £56k of the overspend related to the core service and £68k was the result of one-off costs for large inquests, including the Lewis case and the Hanley case.

The Mortuary contract in 2017/18 was underspent by £40k. This was mainly due to lower activity levels during the year, and lower basic charges compared to the previous contract.

Summary of variations within Mortuary and Coroners:	£'000
Release of provision no longer required	Cr 40
Overspend on Coroners core service - increased costs	56
Cost of large inquests held during the year	68
Underspend on Mortuary	Cr 40
Total variations within Mortuary and Coroners	<u>44</u>

4. Public Protection Cr £191k

There was a net underspend of £191k for Public Protection. This included an £88k underspend on staffing, of which £21k was due to part year vacancies and £67k resulting from a recruitment process that took longer than anticipated for the Interim PPS Strategic Commissioner and the three additional temporary Food Safety Officers. In March 17, Executive approved in principle, to carry this amount forward to 2019/20 and 2020/21, in order to complete the outstanding inspections.

Additional income of £25k was received for licence fees and an extra £9k was received for licences relating to Homes in Multiple Occupation.

Kennelling costs were underspent by £42k due to a reduction in the number of stray dogs.

Car allowance was underspent by £13k and other net variations total Cr £14k mainly within supplies and services.

Summary of variations within Public Protection:	£'000
Delay in recruitments and staff vacancies (£67k c/f request approved in March 18)	Cr 88
Additional income from licenses	Cr 25
Additional income from House in Multiple Occupation license	Cr 9
Underspend on kennelling cost	Cr 42
Underspend on Car allowances	Cr 13
Other net variations	Cr 14
Total variations within Public Protection	<u>Cr 191</u>

The Council was awarded a sum of £144.4k from the Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme. £59.8k of this sum was allocated to the Trading Standard Service of which £11.7k has been spent in 2017/18. On 28th March 2018, Executive approved the request to carry forward both the expenditure and grant income budgets of the remaining balance £48.1k, in order to carry out works on asset recovery, crime reduction projects and community projects during 2018/19.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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 Final Approved £'000	2017/18 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	R&R PORTFOLIO							
	Planning							
Cr 3	Building Control	76	76	Cr 7	Cr 83	1	Cr 61	0
Cr 144	Land Charges	Cr 129	Cr 129	Cr 140	Cr 11	2	Cr 18	0
812	Planning	703	714	764	50	3	41	0
1,564	Renewal	785	1,082	850	Cr 232	4	Cr 167	0
2,229		1,435	1,743	1,467	Cr 276		Cr 205	0
	Recreation							
1,732	Culture	1,675	1,697	1,686	Cr 11	5	3	0
4,737	Libraries	4,403	5,790	5,784	Cr 6	6	9	0
263	Town Centre Management & Business Support	180	262	219	Cr 43	7	Cr 50	0
6,732		6,258	7,749	7,689	Cr 60		Cr 38	0
8,961	Total Controllable R&R Portfolio	7,693	9,492	9,156	Cr 336		Cr 243	0
5,855	TOTAL NON CONTROLLABLE	4,195	Cr 76	Cr 76	0		Cr 29	0
2,088	TOTAL EXCLUDED RECHARGES	2,086	2,090	2,090	0		0	0
16,904	PORTFOLIO TOTAL	13,974	11,506	11,170	Cr 336		Cr 272	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		47
Business Rates revaluation		60
Non - Controllable R&M - Water Treatment		4
Libraries - saving adjustment		284
Libraries - Decommissioning of I.T service		973
National Increase in Planning Fees - Expenditure		30
National Increase in Planning Fees - Income	Cr	30
Proceeds of Crime Act Prosecution grant expenditure		84
Proceeds of Crime Act Prosecution grant income	Cr	84
Merit Awards		27

Memorandum Items

Capital Charges	Cr	4,829
Insurance	Cr	242
Rent Income	Cr	23
Repairs & Maintenance		144
IAS19 (FRS17)		717
Excluded Recharges		4

Latest Approved Budget for 2017/18

11,506

REASONS FOR VARIATIONS

1. Building Control Cr £83k

Within the chargeable account for Building Control, there was an income deficit of £107k. This was more than offset by an underspend within salaries of £108k arising from reduced hours being worked and vacancies, and £19k underspend on supplies and services. In accordance with Building Account Regulations, the net surplus for 2017/18 of £20k has been carried forward into 2018/19 via the earmarked reserve for the Building Control Charging Account. The cumulative balance on this account is therefore now £202k, taking into consideration the opening balance of £182k at the start of 2017/18.

Within the non-chargeable service, as a result of delays in appointing to vacant posts, there was an underspend of £78k on staffing and a minor underspend of £5k on supplies and services.

2. Land Charges Cr £11k

There was an income deficit of £39k within the Charging Account. This was partly offset by underspends on staffing and running expenses of £29k. The net deficit of £10k has been carried forward into 2018/19 via the earmarked reserve for the Land Charges Account. If the income continues to drop, officers will have to review the charges.

There was an underspend of £11k on the Non-Chargeable budget due to part year vacancies.

3. Planning Dr £50k

Income from non-major planning applications was £106k above budget for 2017/18. For information, actual income received in 2017/18 was £41k higher than for the previous year, largely due to improving economic conditions, and statutory fees increase from 18th Jan 2018.

For major applications, £356k was received in 2017/18, which was £42k above budget. Actual income was £40k more than that received for 2016/17.

Surplus income £34k of was achieved from pre-application meetings due to higher than budgeted activity levels. This was £11k less than the income received in 2016/17.

Additional income of £15k was achieved within the street naming & numbering service, which was £17k less than that received in the previous year.

Additional costs of £37k were incurred for specialist consultancy advice required for planning applications on agriculture and ecology matters, and planning appeals.

There was an overspend of £193k relating to planning appeals claims, which included Sundridge Park and other planning appeals that have been lost.

Other net variations total Dr £17k across the planning service of which £15k is related to scanning, archiving and microfilming.

Summary of variations within Planning:		£'000
Surplus of income from non-major applications	Cr	106
Surplus income from major planning applications	Cr	42
Surplus pre-application income	Cr	34
Surplus income from street re-naming	Cr	15
Specialist consultancy costs		37
Planning appeals claims		193
Other net variations		17
Total variation for Planning		50

The Council was awarded a sum of £144.4k from the Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme. £84.6k of this sum has been allocated to the Planning Service. On 28th March 2018, Executive approved the request to carry forward both the expenditure and grant income budgets in order to carry out works on asset recovery, crime reduction projects and community projects during 2018/19.

4. Renewal Cr £232k

Part year vacancies have resulted in a £34k underspend on staffing and there is a net underspend of £27k across supplies and services, which includes an Cr £8k for maintenance works on War Memorials.

There was an underspend of £171k on the Town Centre Development Works funded by the New Homes Bonus. The GLA has agreed the re-profile of spend. On 28th March 2018 Executive agreed in principle to carry forward the NHB unspent balance and formal approval is now requested in order to complete the specific projects.

In March 2018, notification was received from DCLG that the Council had been awarded a Custom Build grant of £30k. Due to the late notification, it has not been possible to spend this grant and a carry forward is requested in order to carry out the works in the next financial year.

Summary of variations within Renewal	£'000
Staff vacancies	Cr 34
Underspend on Supplies and Services	Cr 27
Underspend on projects funded by NHB (carry forward request)	Cr 171
Total variation for Renewal	Cr 232

5.Culture Cr £11k

There was a net minor underspend of £11k for the Culture service, mainly due to maternity cover.

6.Libraries Cr £6k

The Library service has a net underspend of £6k. This includes a £16k underspend on staffing due to vacancies, a £39k underspend from savings on the back office for the first 7 months of the year, an income shortfall of £32k mainly relating to book fines and DVD hire and other minor variations total to Dr £17k.

Summary of variations within Libraries:	£'000
Staff vacancies	Cr 16
Savings from the Back Office	Cr 39
Shortfall of income (Book fines & DVD hire)	32
Other minor variations	17
Total variation for Libraries	Cr 6

7.Town Centre Management & Business Support Cr £43k

There is an overall £43k underspend for Town Centre Management & Business Support.

The Penge Pop up shop project was underspent by £29k. Following the change of focus of the regeneration plan and the change in contractor to Cushman and Wakefield, there was also an underspend of £7k on the Orpington town centre scheme. Both of these projects are funded from the New Home Bonus, and the GLA has agreed the re-profile of spend. On 28th March 18 Executive agreed in principle to carry forward the NHB unspent balance and formal approval is now requested in order to complete the specific projects.

Other net underspends total £7k, mainly due to staff vacancies.

Summary of variations within TCM:	£'000
Underspend on Penge Pop Up TC scheme (carry forward request)	Cr 29
Underspend on Orpington TC scheme (carry forward request)	Cr 7
Other net underspends	Cr 7
Total variation for TCM	Cr 43

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 Corporate Services, the Director of Finance and the Director of Commissioning 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 Final Approved £'000	2017/18 Provisional 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	208	Cr 4	1	0	0
6,641	Exchequer - Revenue & Benefits	6,645	6,898	6,583	Cr 315	2	Cr 153	0
1,545	Exchequer - Payments & Income	1,600	1,586	1,564	Cr 22	3	Cr 13	0
606	Financial Accounting	620	621	623	2	4	13	0
1,423	Management Accounting	1,521	1,528	1,464	Cr 64	5	Cr 32	0
632	Audit	679	721	706	Cr 15	6	10	0
11,303	Total Financial Services Division	11,277	11,566	11,148	Cr 418		Cr 175	0
	CORPORATE SERVICES DIVISION							
4,375	Information Systems & Telephony	4,482	4,978	4,545	Cr 433	7	Cr 421	0
1,078	Customer Services (inc. Bromley Knowledge)	1,101	998	978	Cr 20	8	Cr 15	0
	Legal Services & Democracy							
320	Electoral	345	345	305	Cr 40	9	0	0
1,369	Democratic Services	1,412	1,415	1,355	Cr 60	10	Cr 38	0
Cr 123	Registration of Births, Deaths & Marriages	Cr 94	Cr 91	Cr 108	Cr 17	11	26	0
1,776	Legal Services	1,642	1,769	1,960	191	12	169	140
169	Management and Other (Corporate Services)	175	175	131	Cr 44	13	Cr 42	0
8,964	Total Corporate Services Division	9,063	9,589	9,166	Cr 423		Cr 321	140
	HR DIVISION							
1,523	Human Resources	1,929	2,004	1,828	Cr 176	14	Cr 91	0
1,523	Total HR Division	1,929	2,004	1,828	Cr 176		Cr 91	0
	COMMISSIONING AND PROCUREMENT DIVISION							
939	Procurement and Data Management	666	720	670	Cr 50	15	Cr 52	0
1,245	Commissioning	1,428	897	820	Cr 77	16	Cr 63	0
0	Debt Management System	0	25	101	76	17	60	0
2,184	Total Commissioning and Procurement Division	2,094	1,642	1,591	Cr 51		Cr 55	0
	CHIEF EXECUTIVE'S DIVISION							
125	Comms	125	127	125	Cr 2	18	Cr 1	0
652	Management and Other (C. Exec)	712	710	684	Cr 26	19	Cr 35	0
168	Mayoral	149	150	148	Cr 2	20	Cr 2	0
945	Total Chief Executive's Division	986	987	957	Cr 30		Cr 38	0
	CENTRAL ITEMS							
7,500	CDC & Non Distributed Costs (Past Deficit etc.)	3,831	3,831	3,047	Cr 784	21	0	0
11,600	Concessionary Fares	11,210	11,210	11,197	Cr 13		0	0
44,019	TOTAL CONTROLLABLE CE DEPT	40,390	40,829	38,934	Cr 1,895		Cr 680	140
Cr 8,194	TOTAL NON CONTROLLABLE	337	Cr 3,037	Cr 3,037	0		0	0
Cr 16,351	TOTAL EXCLUDED RECHARGES	Cr 15,801	Cr 15,386	Cr 15,386	0		0	0
19,474	TOTAL CE DEPARTMENT	24,926	22,406	20,511	Cr 1,895		Cr 680	140
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
1,938	Admin Buildings & Facilities Support	2,217	2,635	2,581	Cr 54	22	6	0
195	Investment & Non-Operational Property	187	232	122	Cr 110	23	Cr 110	0
1,115	Strategic & Operational Property Services	979	1,079	1,086	7	24	Cr 5	0
163	TFM Client Monitoring Team	311	312	296	Cr 16	25	Cr 14	0
Cr 866	Other Rental Income - Other Portfolios	Cr 763	Cr 763	Cr 688	75	26	Cr 19	0
2,117	Repairs & Maintenance (All LBB)	1,944	2,141	1,978	Cr 163	27	Cr 163	0
4,662	TOTAL CONTROLLABLE ECS DEPT	4,875	5,636	5,375	Cr 261		Cr 305	0
1,778	TOTAL NON CONTROLLABLE	402	Cr 36	Cr 36	0		0	0
Cr 2,666	TOTAL EXCLUDED RECHARGES	Cr 2,706	Cr 3,375	Cr 3,375	0		0	0
Cr 1,411	Less: R&M allocated across other Portfolios	Cr 1,485	Cr 1,568	Cr 1,568	0		163	0
866	Less: Rent allocated across other Portfolios	763	688	688	0		19	0
3,229	TOTAL ECS DEPARTMENT	1,849	1,345	1,084	Cr 261		Cr 123	0
22,703	TOTAL RESOURCES PORTFOLIO	26,775	23,751	21,595	Cr 2,156		Cr 803	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 - Aspian Corporate Debt System	25
Contract Register / Summaries Database	50
Legal Counsel Cost	50
Biggin Hill Airport Noise Action Plan	44
Inflation Adjustment	295
Business Rates revaluation	305
TFM - Pension Liabilities	100
R&M - Operational Building Maintenance (Water treatment)	51
Staff	81
Contract monitoring resources transferred to Resources Portfolio	31
IT Mobilisation Fund	62
Additional funding re Liberata work on Assessments	4
Transfer of Central Placement Team to Care Services Portfolio 1.6.17	Cr 60
Merit Awards	43
Drawdown 'one off' GDPR costs 17/18 per Executive 6.12.17.	495
Virement to ECHS re Children's Social Care Post Inspection Work	Cr 40
Electoral IER 2017/18 - Grant Related Expenditure	127
Electoral IER 2017/18 - Grant Related Income	Cr 127
Memorandum Items	
Capital Charges	Cr 178
Insurance	Cr 9
Rent Income	Cr 75
Repairs & Maintenance	62
IAS19 (FRS17)	Cr 3,623
Excluded Recharges	Cr 777
Latest Approved Budget for 2017/18	<u>23,751</u>

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1. Director of Finance & Other Cr £4k

There was a net underspend of £4k across Supplies and Services.

2. Exchequer - Revenues and Benefits Cr £315k

Overall there was an underspend of £315k for Revenue & Benefits. This is made up of several variations as follows: -

Employee costs underspent by £78k due to vacant posts. Recruitment took longer than anticipated, however an appointment has now been made. The budget for Council Tax Support, Discretionary Hardship Fund underspent by £40k for 2017/18, as a result of the reduced liability to individuals compared to budget assumptions.

Bromley was awarded funding from the GLA of £50k in 2017/18, £75k for 2018/19 and £75k 2019/20, to cover the costs of employing extra council tax and business rates property inspectors. Since no additional inspectors were recruited by Liberata during 2017/18, the funding of £50k has not been spent.

Net savings of £64k were realised on the Liberata contract, as the cash counting and banking services for parking were transferred to the new parking contractor, APCOA.

Other variations included a net underspend against the Universal Credit grant totalling £22k, due to the low take up of personal budget advice sought from the CAB, charged against the fixed grant from DWP. There was an underspend of Cr £36k for 2017/18 Council Tax collection costs and other net variations of Cr £25k, mainly due to the Incentivisation scheme.

The Chief Officer has requested a carry forward of £91k from the projected underspend on Exchequer, Revenue and Benefits to meet the costs of retendering the Exchequer contract and £98k relating to a required upgrade for the Academy System.

Summary of variations within Exchequer (Revenue & Benefits)	£000
Staff vacancies	Cr 78
Discretionary Hardship Fund	Cr 40
Business rate inspectors	Cr 50
Liberata contract savings re parking cash counting/banking	Cr 64
Universal Credit Admin. grant	Cr 22
Council Tax Collection costs	Cr 36
Other net minor variations	Cr 25
Total Variations within Exchequer (Revenue & Benefits)	<u>Cr 315</u>

3. Exchequer - Payments & Income Cr £22k

Employee costs were underspent by £28k due to a staff vacancy, which is still in the process of being recruited to. Additional income of £8k was received from the recovery of funeral costs as well as Appointeeship & Deputyship. These underspends were partly offset by an overspend on contract costs of around £14k, mostly relating to additional assessments that were undertaken.

4. Financial Accounting Dr £2k

As a result of the Government's change in legislation in January 2018, banning credit card payment surcharges, there was a shortfall of income of £5k. Other net underspends across the service total £3k.

5. Management Accounting Cr £64k

Staffing costs were £61k below budget due to part year vacancies, most of which have now been filled. There were other net underspends of £3k.

6. Audit Cr £15k

Variations include an overspend of £10k as a result of an increase in contract related audits and audit fees relating to objections to the accounts. This was partly offset by Cr £9k on Mazars commissioning work, £5k underspend due a release of a provision for bad debt on Housing Benefit Admin penalties and other minor variations of Cr £11k.

CORPORATE SERVICES DIVISION

7. Information Systems & Telephony Cr £433

Although there was an underspend of £51k on staffing costs, mostly due to the vacant Head of IT post, this has been used to fund various 'in flight' projects of £44k.

Executive on 6th December 2017, approved funding for GDPR compliance work, including 'one-off' costs of £495k which required draw down from the Central Contingency. Of these one-off costs £426k relate to IT Systems, staffing and training. No actual one-off costs were incurred on the project during 2017/18. On 28 March 2018, Executive agreed in principle to carry forward a sum of £416k, however the Chief Officer is now requesting formal approval to carry forward a revised sum of £426k to undertake the GDPR IT work during 2018/19.

8. Customer Services (Incl Bromley Knowledge) Cr £20k

Overall there was an underspend of £20k, mainly related to savings on software contract payments.

9. Electoral Cr £40k

Due to the proximity to the May 2018 Council elections, there were no by-elections in the last few months of the financial year and therefore an underspend of £24k occurred on that budget. There were also other minor underspends of £16k across the service that further contributed to the total underspend of £40k on Electoral Services.

10. Democratic Services Cr £60k

The Democratic Services budget was underspent by £60k in 2017/18, mainly due to an underspend in Members' Allowances of £48k. Other minor variations total Cr £12k. On 28th March 2018, Executive agreed to carry forward £20k into 2018/19, to fund IT equipment for any new Council Members, following the May elections.

11.Registration of Births, Deaths and Marriages Cr £17k

There was a net underspend of £17k on this service mainly due to additional income. Since last reported, the amount of income for ceremonies etc. in 2017/18 has improved and although the Citizenship income is still under budget (Dr £9k), the level has also improved.

12. Legal Services Dr £191k

An overspend of £166k has been incurred for counsel fees and court costs as a result of the high volume of child care cases. Cases issued this financial year are in the region of 80 cases. One case was particularly expensive as it involved six children. Although the number of cases were expected to be lower than last year (99 cases), it far exceeds the average annual number of around 47 cases in the past. Counsel fees and costs are likely to fall when the current cases have been completed and more cases can be dealt with in-house.

Process serving and transcription costs were overspent by around £7k as a result of the higher number of cases outlined above.

There was a shortfall of income totalling £55k, £13k of which relates to Section 106 income. The council does not have control over this as it depends on the number and types of planning applications submitted to the council. The balance of £42k relates to an underachievement of income on fees from sales and purchases of investment properties, and other recoveries.

Other significant variations include an underspend of £52k relating to 'one off' GDPR funding as outlined in the next paragraph. Other net overspends across the service total £15k.

The funding for GDPR compliance approved by the Executive on 6th December 2017, included 'one-off' costs of £495k which have been drawn down from Central Contingency, £69k of which related to Legal staffing. Only £17k was spent during 2017/18 and therefore further to the in principle agreement by the Executive on 28th March, a formal request to carry forward the unspent balance of £52k is being put forward to enable the GDPR legal work to be completed during 2018/19.

Summary of variations within Legal Services	£000
Counsel fees & court costs for child care	166
Process serving & transcription costs	7
Income relating to fees for drawing up S106	13
Fee income from sales & purchases of investment properties	42
GDPR funding (carry forward request)	Cr 52
Other net variations	15
Total Variations within Legal Services	<u>191</u>

13. Management and Other (Corporate Services) Cr £44k

Due to the reduction in hours of the Director of Corporate Services, there was an underspend of £44k on this budget.

HR DIVISION

14. Human Resources Cr £176k

Full Council in March'17, agreed to allocate £350k from Central Contingency to fund the cost of the Apprenticeship Levy. Since the introduction of the Levy in April 2017, costs of £278k have been incurred, partly offset by a £59k reimbursement from schools using the council payroll, for their part of the levy. This resulted in a net underspend of £131k on the Apprenticeship Levy.

A significant number of academies submitted job advert requests onto the Bromley Website resulting in net additional income of £46k. This was partly offset by £17k spent on an HR hearing for the ECHS department.

The £200k for the 2017/18 Merit Awards was drawn down from Central Contingency, along with the carry forward sum of £81k from 2016/17. As agreed in principle at the Executive on 28th March 2018, £36k of this total will be formally requested to be carried forward to 2018/19, of which £28k has been allocated to benefit staff as put forward by Departmental Representatives, including an initiative for a staff survey, and £8k for merit awards.

Other minor variations total Dr £20k.

Summary of variations within Human Resources	£000
Apprenticeship Levy	Cr 131
Income from Academies for job requests	Cr 46
HR hearing costs	17
Merit Awards	Cr 36
Other minor net variations	20
Total Variations within Human Resources	<u>Cr 176</u>

COMMISSIONING AND PROCUREMENT DIVISION

15. Procurement and Data Management Cr 50k

There was an underspend of £50k on the Contracts Database in 2017/18.

16. Commissioning Cr £77k

There was a net underspend on staffing of £76k due to vacancies. Recruitment is underway for the remaining vacant posts. Other net variations total Cr £1k.

17. Debt Management System Dr £76k

Due to the delay in going live on the first stage of the Debt Management System, additional costs of £76k were incurred during 2017/18 for staff time, system developers and one-off contract costs.

Summary of variations within Commissioning & Procurement	£000
Underspend on the Contracts Database	Cr 50
Staff vacancies	Cr 76
Debt Management system - overspend due to delays	76
Other minor variations	Cr 1
Total Variations within Commissioning & Procurement	Cr 51

Within the Commissioning and Procurement Division there was a net underspend of £51k for 2017/18, as shown in the table above. Executive on 28th March 2018, agreed in principle to carry forward £50k to enable the remaining work on the Contracts Database to be completed in 2018/19. Formal approval for the carry forward is now requested.

CHIEF EXECUTIVE'S DIVISION

18. Comms Cr £2k

There were minor net underspends totalling £2k.

19. Management and Other (C. Exec) Cr £26k

Overall there was an underspend of £26k within Management and Other. This is made up of the following variations: -

A £24k underspend in relation to the Biggin Hill Airport Project. As approved in principle by the Executive on 28th March, this balance will be carried forward to 2018/19 as there is a potential new application that could require funding.

There were other net underspends across the service of £2k.

Summary of variations within Management & Other	£000
Biggin Hill Airport project	Cr 24
Other minor variations	Cr 2
Total Variations within Management & Other	Cr 26

20. Mayoral and Civic Hospitality Cr £2k

An overspend of £12k on Robes and Regalia for the Mayor's/Councillor's Badges and Jewellery was more than offset by an underspend of £14k which was mainly from within staffing.

CENTRAL ITEMS

21. CDC & Non Distributed Costs Cr £784k

This mainly relates to the number and cost of ill-health retirements and costs arising from the early release of pension on redundancy being lower in 2017/18. At this stage, it is not possible to predict whether this is a one-off reduction or likely to impact on future years. The budget will continue to be monitored to establish whether there is an ongoing downward trend.

ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT

22. Admin Buildings & Facilities Support Cr 54k.

There was an underspend of £51k on the MFD contract due to reduced hire costs of some older machines. These are due to be replaced next year.

A £7k shortfall of income was generated from staff car parking and extra costs of £7k for the purchase of notice boards was more than offset by an underspend from an accrual provision of £17k on the old cleaning contract that was no longer required.

Summary of variations within Admin. Buildings & Facilities Management.	£'000
Underspend on MFD contract.	Cr 51
Shortfall of income Staff Car Parking	7
Staff notice boards for Civic Centre	7
Provision no longer required	Cr 17
Total Variations within Investment & Non-Operational Property	Cr 54

23. Investment & Non-Operational Property (expenditure) Cr £110k

Overall there was a net underspend of £110k for these services, made up by the following variances: -

An underspend of £129k on Business rates, of which £119k related to Bromley Town Hall (Exchequer House) and additional security costs of £9k were incurred for the Widmore centre.

There was an overspend of £10k on utilities and premises related expenses. This mainly related to surplus properties, Bromley Town Hall and Properties held for investment.

Summary of variations within Investment & Non-Operational Property	£'000
Business Rates for Exchequer House	Cr 119
Other Business Rates	Cr 10
Security cost on Widmore centre	9
Net Overspend on Utilities cost and premises related expenses	10
Total Variations within Investment & Non-Operational Property	Cr 110

24.Strategic & Operational Property Services Dr £7k

A feasibility study was undertaken on the Churchill theatre at a cost of £8k. Other net variations total Cr £1k.

25. TFM Client Monitoring Team Cr £16k

Minor net underspends of £16k, mainly for staffing and I.T. licences.

26. Other Rental Income - Other Portfolios - Dr £75k

Overall there was a net deficit of £75k for rental income from other Portfolios. This included £154k shortfall of income from vacant properties and rent free periods for 2017/18 (mainly Day Centres). This was partly offset by £24k from a rent review of Langley Park Golf club and a net £55k additional income from other properties.

27. Repairs & Maintenance (All LBB) - Cr £163k

There was an underspend of £163k on the planned maintenance due to the delay on the works relating to the central depot wall. Executive, on 28 March 2018 agreed to carry forward this balance.

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 Corporate Services, the Director of Finance and the Director of Commissioning 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 has been actioned:

- a) Contract cumulative value £61.2k for IT cabling through a Gateway framework.

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				Total Allocations/Projected for Year	Variation to Original Contingency Provision	Provisional Request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total			
	£	£	£	£	£	£	£	
Renewal and Recreation								
Planning Appeals - change in legislation	60,000			0	0		Cr 60,000	
General								
Provision for unallocated inflation	2,274,000	352,800		0	352,800		Cr 1,921,200	
Staff Merit Awards		200,000		0	200,000	(14)	Cr 200,000	
Impact of Chancellor's Summer Budget 2015 on future costs	2,260,000	912,000		0	912,000	(4)&(2)	Cr 1,348,000	
Increase in Cost of Homelessness/Impact of Welfare Reforms	2,740,000	1,154,000		0	1,154,000	(3)&(12)	Cr 1,586,000	
General provision for risk/uncertainty	2,219,000			0	0		Cr 2,219,000	
Operational Building Maintenance Programme		125,240		0	125,240	(2)	Cr 125,240	
SEN assessments - transfer to ECHP plans		115,000		0	115,000	(6)	Cr 115,000	
Library Services - one off funding & budget variations		1,257,000		0	1,257,000	(6)	Cr 1,257,000	
Total Facilities Management Contract		100,000		0	100,000	(1)	Cr 100,000	
Additional Resources for Environment & Community Services		146,000		0	146,000	(7)&(14)	Cr 146,000	
IT Mobilisation		62,200		0	62,200	(7)	Cr 62,200	
Waste4Fuel DRF		47,000		0	47,000	(6)	Cr 47,000	
Provision for risk/uncertainty relating to volume and cost pressures	2,182,000			0	0		Cr 2,182,000	
General Data Protection Regulations 2016		495,000		0	495,000	(10)	Cr 495,000	
Impact of conversion of schools to academies	117,000	15,000		0	15,000	(14)	Cr 102,000	
Retained Welfare Fund	450,000			0	0		Cr 450,000	
Deprivation of Liberty	118,000	118,000	Cr 90,000	0	28,000	(14)	Cr 90,000	
Growth for Waste Services	424,000			0	0		Cr 424,000	
Grants to Voluntary Organisations - pump priming funding	275,000			0	0		Cr 275,000	
Other Provisions	513,000			0	0		Cr 513,000	
Adult Social Care	700,000			0	0		Cr 700,000	
Provision for impact of NNDR Revaluation	350,000	559,400		0	559,400	(10)	Cr 209,400	
Education SEN	300,000			0	0		Cr 300,000	
HR/Finance impact of academy conversions	Cr 25,000			0	0		Cr 25,000	
National Increase in Planning Fees				0	0			
- Expenditure		30,000		0	30,000	(14)	Cr 30,000	
- Income		Cr 30,000		0	Cr 30,000		Cr 30,000	
Residual share of South London Connexions Consortium balance		Cr 50,910		0	Cr 50,910		Cr 50,910	
Short Term Assistance for Day Centres				0	0	(13)	0	
Contribution to Investment Fund		3,500,000		0	3,500,000	(11)	Cr 3,500,000	
West Wickham Leisure Centre & Library Redevelopment		993,186		0	993,186	(14)	Cr 993,186	
	14,957,000	10,100,916	Cr 90,000	0	10,010,916		Cr 4,946,084	
Grants included within Central Contingency Sum								
SEND Implementation Grant (New Burdens)								
Grant related expenditure	201,000	225,000		0	225,000	(3)	Cr 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		0	200,600	(9)	Cr 580,400	
Grant related income	Cr 781,000	Cr 200,600		0	Cr 200,600		Cr 580,400	
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)	Cr 27,522	
Grant related income		Cr 27,522		0	Cr 27,522		Cr 27,522	
Step Up To Social Work Grant								
Grant related expenditure		223,400		0	223,400	(5)	Cr 223,400	
Grant related income		Cr 223,400		0	Cr 223,400		Cr 223,400	
Flexible Homelessness Support Grant								
Grant related expenditure		2,106,890		0	2,106,890	(12)	Cr 2,106,890	
Grant related income		Cr 2,106,890		0	Cr 2,106,890		Cr 2,106,890	
Homelessness Reduction Grant								
Grant related expenditure		254,713		0	254,713	(12)	Cr 254,713	
Grant related income		Cr 254,713		0	Cr 254,713		Cr 254,713	
Homelessness Reduction ACT IT upgrade for new reporting requirements								
Grant related expenditure		9,022		0	9,022	(12)	Cr 9,022	
Grant related income		Cr 9,022		0	Cr 9,022		Cr 9,022	
GLA Funding for Property Inspectors								
Grant related expenditure		50,000			50,000	(14)	Cr 50,000	
Grant related income		Cr 50,000			Cr 50,000		Cr 50,000	
UASC Additional Funding								
Grant related expenditure		141,094		0	141,094	(14)	Cr 141,094	
Grant related income		Cr 141,094		0	Cr 141,094		Cr 141,094	
Asset Recovery Incentivisation Scheme (ARIS)								
Grant related expenditure		144,388		0	144,388	(14)	Cr 144,388	
Grant related income		Cr 144,388		0	Cr 144,388		Cr 144,388	
Pothole Action Fund								
Grant related expenditure		112,940		0	112,940	(14)	Cr 112,940	
Grant related income		Cr 112,940		0	Cr 112,940		Cr 112,940	
Electoral Services - Cabinet Office Funding for IER 2017/18								
Grant related expenditure		127,483		0	127,483	(14)	Cr 127,483	
Grant related income		Cr 127,483		0	Cr 127,483		Cr 127,483	
TOTAL CARRIED FORWARD	14,957,000	10,100,916	Cr 90,000	0	10,010,916		Cr 4,946,084	
							152,025	

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
- (10) Executive 6th December 2017
- (11) Council 11th December 2017
- (12) Executive 10th January 2018
- (13) Council 26th February 2018.
- (14) Executive 28th March 2018

Allocation of Contingency Provision for 2017/18 (continued)

Item	Carried Forward from 2016/17	Allocations				Total Allocations/Projected for Year	Variation to Original Contingency Provision	Provisional request to Carry Forward
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year				
	£	£	£	£	£	£	£	
TOTAL BROUGHT FORWARD	14,957,000	10,100,916	Cr 90,000	0	10,010,916	Cr 4,946,084	152,025	
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			0	0	Cr 623,290	623,290	
- income	Cr 623,290			0	0	623,290	Cr 623,290	
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	
Tackling Troubled Families								
- expenditure	675,400	595,400	80,000	0	675,400	(7)	0	
- income	Cr 675,400	Cr 595,400	Cr 80,000	0	Cr 675,400		0	
General								
Audit - Additional investigation works	40,000	40,000		0	40,000	(4)	0	
Debt Management System	25,000	25,000		0	25,000	(4)	0	
Contracts Register/Summaries Database	50,000	50,000		0	50,000	(4)	0	
Biggin Hill Airport - Noise Action Plan	43,700	43,700		0	43,700	(4)	0	
Legal Counsel Costs	50,000	50,000		0	50,000	(4)	0	
Staff Merit Awards	80,970	80,970		0	80,970	(4)	0	
Green Garden Waste - Debt Management System	120,000	120,000		0	120,000	(6)	0	
Local Plan Implementation	37,427	37,427		0	37,427	(3)	0	
	447,097	447,097	0	0	447,097	0	0	
Total Carried Forward from 2016/17	447,097	447,097	0	0	447,097	0	0	
GRAND TOTAL	15,404,097	10,548,013	Cr 90,000	0	10,458,013	Cr 4,946,084	152,025	

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	7,455	619	The full year effect of Temporary Accommodation is currently estimated to be £274k 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	20,997	1,881	The full year impact of the current overspend is estimated at Dr £1,417k. £960k of this relates to residential and nursing home placements and £457k to domiciliary care / direct payments. This is based on client numbers as at the end of March. In addition, the fye is reduced by iBCF funding of £629k in 2018/19, reducing the overall fye to Dr £788k.
Learning Disabilities - including Care Placements, Transport and Care Management	31,179	891	The full year effect of the outturn position is an overspend of £2,286k. This is higher than the current year's overspend, partly because this is a growth area and clients placed in-year in 2017/18 will only have a part year cost in 2017/18 but a full year cost in 2018/19. New / increased packages exceed savings being achieved. The FYE overspend has increased from £1,818k in the last report. One of the reasons for this is slippage in delivering planned savings and this risk was identified in the last budget monitoring report. While the impact of this in 2017/18 is minimal, the full year impact is significant. If the planned savings are delivered early in the new financial year the effect of this can largely be mitigated. Progress on achieving savings will continue to be monitored closely in 2018/19. The full year effect was dealt with as part of the 2018/19 budget process but if savings are not brought back on track early in 2018/19 it will result in a budget pressure in 2018/19.
Mental Health - Care Placements	5,966	52	There is currently a full year overspend of £194k anticipated on Mental Health placements. Similar to Learning Disabilities above, this has increased from £169k in the last report mainly due to slippage in planned savings. It is hoped that this can be re-balanced by delivering savings early in the new financial year. There continues to be a degree of misclassification of clients' Primary Support Reasons (PSRs) and this may result in the full year effect shifting between PSRs in future months. The full year effect has been dealt with as part of the 2018/19 budget process and only a small variance is predicted in 2018/19 at this stage.
Supporting People	1,072	Cr 159	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	32,741	870	The overall full year effect of the Children's Social Care overspend is £748k, analysed as Residential, Fostering and Adoption £1,194k, Leaving Care services (inc Staying Put and Housing Benefit clients) £651k, Public Law Outline Cr £320k and No Recourse to Public Funds Cr £131k. This assumes that management action of £646k is achieved in 2018/19. The full year effect has been dealt with as part of the 2018/19 budget process and therefore there is no overall variance predicted in 2018/19 at this stage. It is assumed that there will be no ongoing staffing full year effect as this will be dealt with by management action

Description	2017/18 Latest Approved Budget £'000	Variation To 2017/18 Budget £'000	Potential Impact in 2018/19
Legal Services - Legal / Counsel Fees and Court costs	385	168	The overspend for counsel fees and court costs in 2017/18 is due to the high volume of child care cases which is around 80 cases 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	44	There is a net £44k overspend on the Coroner's costs in 2017/18. Costs should reduce in future years following the re-tender of the body removal contract. At this stage it is assumed no overall variance within the Mortuary and Coroners Services in 2018/19.
Parking	Cr 7,313	Cr 580	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, after assuming a drop off in contraventions. At this stage no overall variance is projected for Parking in 2018/19.
Waste	17,781	Cr 851	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.

Carry Forwards from 2017/18 to 2018/19

PREVIOUSLY APPROVED CARRY FORWARD REQUESTS	£	£
APPROVED BY COUNCIL 26TH FEBRUARY 2018		
1 Short Term Assistance to Day Centres		152,025
Agreement to waive rent charges for Day Centres for a period of 12 months whilst finalising the Council's longer term plans in the 'Strategy for the Older Person'. Council agreed that the funding would be met from underspends in the 2017/18 Central Contingency.		
APPROVED BY EXECUTIVE 28TH MARCH 2018		
<u>RESOURCES PORTFOLIO</u>		
2 Repairs and Maintenance (All Departments)		163,000
There is an underspend of £163k on the planned maintenance budget due to the delay on works relating to the central depot wall. Executive, on 28th March 2018, agreed to carry forward this balance.		
3 Democratic Services		20,000
Executive, in March 2018, agreed to carry forward £20k of the underspend in the Democratic Representation budget into 2018/19 to support the purchase of IT equipment for any new Council Members following the May 2018 local elections.		
<u>ENVIRONMENT PORTFOLIO</u>		
4 Highways - Pothole Action Fund		112,940
In February 2018, notification of £226k funding for Pothole Action for 2017/18 and 2018/19 was received from the Department for Transport. This was reported to the Executive on 28th March 2018 and Members approved a request to carry forward the £113k 2017/18 allocation in order to carry out works on repairing potholes during 2018/19.		
<u>PUBLIC PROTECTION AND SAFETY AND RENEWAL AND RECREATION PORTFOLIO</u>		
5 Appeal and Enforcement - Asset Recovery Incentivisation Scheme (ARIS)		132,758
The Council was awarded a sum of £144,388 from a Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme to carry out works on asset recovery, crime reduction projects and community projects. Due to the late notification of this funding, on 28th March 2018 Executive agreed to carry forward the unspent balance of £132,758 into 2018/19. £84,633 of this is allocated to Planning Enforcement (R & R Portfolio) and the remaining balance of £48,125 is allocated to Trading Standards (PPS Portfolio).		
Total Expenditure to be Carried Forward		580,723
Grant Income & Other Funding		-245,698
Total Previously Approved Carry Forward Requests		335,025

MEMBERS' APPROVAL REQUIRED**Grants with Explicit Right of Repayment****CARE SERVICES PORTFOLIO**

6	2015/16 Better Care Fund - GoodGym	7,500
	2017/18 Better Care Fund	28,390
	£25k was allocated from Better Care Funding brought forward from 2015/16 for the new GoodGym services in 2017/18 and 2018/19. The remaining amount of £7,500 is required to fund the service in 2018/19. The service helps to reduce isolation and loneliness, improves wellbeing, increases volunteering and connects communities.	
	2017/18 has been the third full year of operation for the Better Care Fund (BCF). Some BCF allocations, including those for reablement, dementia and resilience, were not fully spent by 31st March 2018 and underspends are required to be carried forward for spending on BCF activities in 2018/19. This funding will be allocated to agreed projects together with new BCF funding for 2018/19.	
7	2016/17 Fire Safety Grant	43,870
	In June 2017 Members approved the carry forward of the Fire Safety Grant (£56,589) from the London Fire and Emergency Planning Authority following the successful bid made in February 2017 for the provision of stand alone smoke detectors and fire retardant bedding and clothing for vulnerable clients. To date, £12,719 has been spent and the remaining grant sum is requested to be carried forward to 2018/19 in order to continue to carry out the works as set out in the grant conditions.	
	Care Services Portfolio	79,760

EDUCATION, CHILDREN & FAMILIES PORTFOLIO

8	Delivery Support Fund	69,100
	The Early Years Quality and Funding Team, part of the Education Division, successfully bid for money to help benefit the delivery of 30 hours free childcare from the Department for Education. This funding was only confirmed in March 2018 and was received just before the end of the financial year. There are 9 small projects within the bid that the money must be spent on. The money needs to be spent by the 31st August and any money not spent must be returned to DfE.	
	Education, Childrens and Families Portfolio	69,100

RENEWAL AND RECREATION PORTFOLIO

9	New Home Bonus - Town Centre Management	36,378
	There is an underspend of £36k relating to the two NHB top slice projects within Orpington and Penge. Executive on 28 March 2018 agreed in principle to carry forward the unspent balance. Formal approval is now requested to carry forward the £36k for the specific projects, which will be completed during 2018/19 as agreed with the GLA.	
10	New Homes Bonus - Regeneration	171,260
	In total there were 4 NHB top slice revenue projects which secured funding agreed through the LEP in 2015/16. These were due to be delivered over 2 years commencing in 2015/16. The 4 projects include: Penge town centre and Orpington town centre (a proportion of which was allocated to TCM and is included in a separate carry forward request), Biggin Hill Technology & Enterprise centre and Lagoon Rd industrial estate refurbishment. Executive on 28 March 2018 agreed in principle to carry forward the unspent balance. At the end of 2017/18, £171,260 remains unspent and a carry forward has been requested so that the associated project work can be completed in 2018/19 as agreed with the GLA.	
	Renewal and Recreation Portfolio	207,638
	Total Expenditure to be Carried Forward	356,498
	Total Grant Income	-356,498

Grants with no Explicit Right of Repayment**RESOURCES PORTFOLIO****11 Debt Management System Project - Transformation Grant** 37,860

Transformation grant of £344k was received during March 2016 and was set aside to fund the new Debt Management System. To date £306k has been spent however the balance is needed to meet the costs of final testing of the system during 2018/19. It is therefore requested to carry this sum forward to 2018/19.

Resources Portfolio

37,860

CARE SERVICES PORTFOLIO**12 Improved Better Care Fund** 3,171,681

Following approval at the Executive on 10th October 2017, IBCF funding was released from the central contingency and allocated to the ECHS budget. The grant for 2017/18 is £4.184m. There are underspends totalling £3.172m in 2017/18, partly because allocations were agreed relatively late in the financial year. In line with the report to the Executive, underspends can be carried forward to support expenditure in future years and spending commitments are in place.

13 Public Health Grant 1,018,324

The Public Health Grant underspent by £141k in 2014/15, £152k in 2015/16 and £330k in 2016/17. This total balance of £623k was carried forward to 2017/18 to fund public health initiatives as per the terms of the grant, however it was not required this year as there was an underspend of £395k. This cumulative balance is requested to be carried forward to fund public health initiatives that may be required in 2018/19.

14 Implementing Welfare Reform Changes 54,918

The funds provided were to meet the cost of implementing welfare reform. Caseloads are likely to increase substantially. This funding will be needed in 2018/19 to help mitigate the impact and potential increase in homelessness resulting from these changes. In addition there have been delays in implementing Universal Credit nationally. The funding will therefore be needed to cover the costs of local implementation.

15 Flexible Homelessness Grant 82,600

The Flexible Homelessness Grant is a new grant in 2017/18 that has replaced the Management Fee included within the Housing Benefit Grant. The spend has been used during the year to offset the loss of income from the end of the HB Management Fee. Looking at next years grant allocation and expected spend, it is currently expected that the grant income will not be enough to cover the costs, and therefore this carry forward would assist in meeting the expected demand in 2018/19.

Care Services Portfolio

4,327,523

EDUCATION, CHILDREN & FAMILIES PORTFOLIO**16 High Needs Strategic Planning Fund** 13,019

Phase 2 of the send4change contract has been agreed for £32k, £19k of which was spent by 31st March 2018. This leaves a remainder to carry forward of £13k. The level of work that is still required to be carried out means that we will need the funding in 2018/19 to provide some scope for additional work where required - this is likely to cover contingency around the review of satellite provisions (Phoenix/Griffins), the efficiency and sufficiency strategy, together with the development of an EHC online portal in Bromley, which were endorsed at the SEND Governance Board on 25th January 2018.

17 SEND Reform Grant	20,013
<p>The 2018/19 SEND reform grant has now been announced (£189k) and this funding is critical to staffing and urgent work that Bromley continues to require in terms of restructuring and immediate changes to services. All remaining funding is therefore requested to be carried forward to pull together 2017/18 and 2018/19 funding to maximise what is available as we implement the action plan that was endorsed at the governance board on 25th January 2018.</p>	
18 School Improvement Grant	46,500
<p>Grant payment received late into the autumn term so insufficient time to plan and implement all interventions. Funding required to carry forward for continuing support to 3 maintained primary schools and two school conference events planned for later in the year focussed on narrowing the achievement gap in schools with underperforming pupils.</p>	
19 Tackling Troubled Families Grant	497,885
<p>This grant is to fund the development of an ongoing programme to support families who have multi faceted problems including involvement in crime and anti social behaviour with children not in education, training or employment. This support is delivered through a number of work streams cross cutting across council departments and agencies. The sum represents the underspend in 2017/18.</p>	
20 Pathfinder Grant	16,489
<p>The money will be used to deliver training and complete some of the unfinished work of 2017/18 during which time cross-borough evaluations have highlighted the key SEND priorities across London for 2018/19.</p>	
21 Early Years Grant - Supporting early education of disadvantaged children	14,800
<p>This funding relates to the purchase of software for the early education of disadvantaged children. The carry forward is required to purchase and implement further IT solutions. There may be a need to use some of the money to fund additional hours for a member of staff to steer this activity through to completion.</p>	
Education, Children & Families Portfolio	608,706
<u>RENEWAL AND RECREATION PORTFOLIO</u>	
22 Planning Strategy & Projects - Custom Build Grant	30,000
<p>The Custom Build Grant of £30,000 was received in March 2018 from the DCLG. Due to the late notification of this funding it was not possible to spend it in 2017/18 and it is therefore requested to carry forward this sum to 2018/19.</p>	
Renewal & Recreation Portfolio	30,000
Total Expenditure to be Carried Forward	5,004,089
Total Grant Income	-5,004,089
<u>OTHER CARRY FORWARD REQUESTS</u>	
<u>RESOURCES PORTFOLIO</u>	
23 Contract Register / Summaries Database	50,000
<p>A sum of £50k was previously carried forward to top up existing resources to assist with the development of the Contracts Database (CDB). This was to improve contract management, generate the registers used for reporting key information to Contracts Sub-Committee and the PDS committees and contribute to the Commissioning agenda. Within Commissioning and Procurement there is a net underspend of £51k for 2017/18 and the Executive agreed in principle on 28th March 2018 a carry forward of £50k into 2018/19 in order to enable the completion of the scheme. Formal approval is now sought.</p>	

24 Biggin Hill Airport Noise Action Plan	24,315
<p>A sum of £44k was carried forward from 2016/17 to fund the contracted specialist expert acoustic advice and other potential advice needed relating to the introduction of the Noise Action Plan for Biggin Hill Airport. Work activity, mostly for legal costs, has continued into the current financial year with the peak of this work occurring later than originally envisaged and beyond the Council's control. The Executive agreed in principle on 28th March 2018 to carry forward the underspend of £25k on the Biggin Hill Airport project. Formal approval is now requested to carry forward £24k.</p>	
25 Information Systems & Telephony GDPR	426,000
<p>The Executive on 6th December 2017 approved funding for GDPR compliance work of £495k, which required draw down from Central Contingency. £426k of the funding related to IT Systems, staffing and training work. No spend was incurred on the project in 2017/18 and, as agreed in principle at the Executive on 28th March 2018, a formal carry forward request has been submitted for the slightly higher underspend balance of £426k to fund the GDPR work relating to IT in 2018/19.</p>	
26 Legal Staff Costs GDPR	52,000
<p>Of the £495k funding for GDPR compliance work approved by the Executive on 6th December 2017, £69k related to Legal staffing. £17k was spent during 2017/18 and, as agreed in principle at the 28th March 2018 Executive, the Chief Officer is now requesting a formal carry forward of £52k to enable the legal GDPR work to be carried out in 2018/19.</p>	
27 Merit Rewards	36,000
<p>As part of the introduction of Localised Pay, Members agreed a merited reward for exceptional performers and a provision of £200k was included in the Central Contingency. A request to carry forward the underspend on the scheme was agreed in principle at the Executive on 28th March 2018. £28k has been allocated for initiatives to benefit staff, as put forward by the Departmental Representatives, including an initiative for a staff survey to be carried out in 2018/19. The remaining £8k is for the staff Merit Reward vouchers. Formal approval is now sought.</p>	
28 Exchequer Revenue & Benefits - Exchequer Contract	91,000
<p>The Chief Officer obtained agreement in principle at the Executive on 28th March 2018 to carry forward £91k of this underspend to meet the potential costs of retendering the Exchequer contract. Formal approval is now requested.</p>	
29 Exchequer Revenue & Benefits - Upgrade of Academy System	98,000
<p>A sum of £98k is requested, which can be met from underspends on Revenue & Benefits to fund an essential system upgrade. The Academy system is used for the collection of council tax and business rates as well as the payment of housing benefits and council tax support. The current system will no longer be supported from Autumn 2018 without an essential upgrade. There is a benefit from the upgrade relating to moving to a 'cloud' based system which will assist in future disaster recovery planning as well as support more flexible working.</p>	

ENVIRONMENT PORTFOLIO

30 Green Garden Waste - Debt Management System	120,000
<p>On 28th March 2018 Executive agreed in principle to carry forward the £120k set aside for developing a direct debit system for the GGW service during next year. The debt management system has recently gone live and therefore the work required to enable direct debit payments to be taken for the GGW service will not start until April 2018. The new system will separate the financial and operational functions in preparation for the new contractual arrangements for the service in 2019. It will enable officers to collect the income in a more timely fashion through direct debits. This will make the service more efficient, providing easier cash reconciliation and debt management, and provide customers with an alternative method of payment. Formal approval is now requested.</p>	

31 Management and Contract Support	80,000
additional support and evaluation expertise for the Waste contracts in 2018/19 when the majority of the contract evaluation will take place. Formal approval is now sought.	
32 Parks Infrastructure works	80,000
Due to a lack of staffing capacity to procure the additional works, coupled with the poor weather during the final quarter of the year, the planned parks infrastructure works were unable to be progressed. The Director is requesting Executive to agree to carry forward £80k to enable the works to be completed in 2018/19.	
<u>PUBLIC PROTECTION & SAFETY PORTFOLIO</u>	
33 Additional ECS resources - delay in recruitment	67,000
Due to delays in recruiting to the 18 month fixed term post of Interim Assistant Director of Public Protection and the additional fixed term Food Safety Officer posts, on 28th March 2018 Executive agreed in principle to carry forward £52k to 2019/20 and £15k to 2020/21 to complete the outstanding inspections. Formal approval is now sought.	
Total Other	1,124,315
Net Total Requiring Approval	1,124,315
TOTAL CARRY FORWARD TO 2018/19	1,459,340

EARMARKED GENERAL FUND BALANCES - 2017/18

Description	Balance at 31/03/2017	Expenditure	Income		Balance at 31/03/2018
			Contribs.	Interest	
EARMARKED BALANCES	£'000	£'000	£'000	£'000	£'000
LPSA Reward Grant	76				76
Technology Fund	1,731			24	1,755
LAA Pump Priming Grant	155				155
Town Centre Improvement Fund (LABGI)	55				55
Transformation Fund	1,018	367			651
Investment to Community	530	62			468
R & R Redundancy Reserve	116				116
Works to Property	100				100
Planning Services Charging Account	182	182	193		193
Government Grants	1,811	1,811	5,137		5,137
Invest to Save	14,777		1,195		15,972
Bromley Welcare	29				29
One off Member Initiatives	1,332	165			1,167
Infrastructure Investment Fund	2,000	132			1,868
Commissioning Authority Programme	55		500		555
Health & Social Care 'Promise Programme'	3,953				3,953
Housing Strategy Account	25				25
Community Right to Bid & Challenge	46				46
Investment Fund	4,621	4,533	3,500		3,588
Winter Pressures	2,010				2,010
Refurbishment of War Memorials	13				13
Key Health & Social Care Initiatives	1,700				1,700
Integration of Health & Social Care Initiatives	1,614	750			864
Collection Fund Surplus Set Aside	4,912		6,401		11,313
Healthy Bromley Fund	3,815				3,815
Glaxo Wellcome Endowment	154	13		2	143
Cheyne Woods and Cyphers Gate	163	10			153
Public Halls Fund	7				7
Future Repairs of 145, High Street	31		12		43
Parallel Fund	2,700				2,700
Growth Fund	22,425	1,592			20,833
Health & Social Care Integrated Commissioning Fund	4,550				4,550
Financial Planning & Risk Reserve	5,000				5,000
Bromley Welfare Fund	970	110			860
Payment in Lieu Reserve for Temporary Accommodation	85		37		122
Business Rates Risk Reserve	4,200				4,200
One Off Expenditure in 2016/17 (inc. TFM Contract)	152	55			97
Crystal Palace Park Improvements	145	63			82
Various Joint Schemes and Pump Priming Investments	5,006	1,411			3,595
Transition Fund	568	30	2,052		2,590
Children's Social Care Transition Fund	1,500	750			750
Environmental Initiatives	500				500
Planning/Planning Enforcement	250	53			197
Apprenticeship Scheme	200				200
Civic Centre Development Strategy	257				257
CSC Recruitment & Retention	855	433			422
Professional Advice for Future Schemes	147				147
Utilisation of New Homes Bonus			2,256		2,256
Future Pensions Risk on Outsourcing			203		203
<u>New Reserves Set Up in 2017/18</u>					
West Wickham Leisure Centre & Library Redevelopment			993		993
Subject to Approval by Executive 23rd May 2018					
Various Joint Schemes and Pump Priming Investments			550		550
Income Equalisation Reserve			1,086		1,086
Transformation Fund			2,000		2,000
Investment Fund			2,609		2,609
Growth Fund			2,319		2,319
Financial Planning & Risk Reserve			5,000		5,000
Sub-Total	96,541	12,522	36,043	26	120,088
Schools	2,621	1,042	640		2,219
Insurance Fund	3,373	531	800	75	3,717
TOTAL	102,535	14,095	37,483	101	126,024

Note: Members should note that the balance at 31/3/2018 represents the "cash" balance and in some cases the monies shown will already be committed for future years on various schemes.

SECTION 106 RECEIPTS

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

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

31 March 2017 £000 Restated Revenue	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31 March 2018 £000 Revenue
542	Highway Improvement Works	10	161	-	391
42	Road Safety Schemes	-	24	-	18
45	Local Economy & Town Centres	-	-	-	45
78	Parking	15	6	-	87
724	Healthcare Services	474	-	-	1,198
10	Community Facilities	-	-	-	10
311	Other	-	-	-	311
1,752		499	191	-	2,060
	Capital				Capital
2,890	Education	1,574	1,153	-	3,311
4,911	Housing	46	1,853	-	3,104
97	Local Economy & Town Centres	239	336	-	-
82	Highway Improvement Works	-	-	-	82
0	Other	86	-	-	86
7,980		1,945	3,342	-	6,583
9,732		2,444	3,533	-	8,643

SCHOOLS' DELEGATED BUDGETS

Consistent Financial Report (CFR) is a framework of income and expenditure items and balances, which provides schools with a benchmark facility to allow them to promote self-management and value for money. A CFR return has been produced by all schools maintained by the LA as at 31 March 2018.

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

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

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

The following table shows schools' reserves as at 31 March 2018, the end of the 2017/18 financial year. The table below shows an overall decrease in balances of £402k (decrease from £2,621k to £2,219k). This decrease can be seen to be across both revenue and capital balances and across each of the school sectors as detailed below.

	Nos	Accrued Balances at 1 April 2017	Under/ Over (-) Expenditure in 2017/18	Accrued Balances at 31 March 2018	Analysis of Balances as at 31 March 2018					
					Committed Revenue	Uncommitted Revenue	Devolved Formula Capital	Other Capital	Community Focussed Extended Services	Total Balances
					£'000	£'000	£'000	£'000	£'000	£'000
Primary Schools	6	1,295	-363	932	82	641	2	202	4	931
Secondary Schools	1	501	-110	391	28	333	0	29	0	390
Special Schools	3	825	71	896	169	729	0	0	0	898
Total	10	2,621	-402	2,219	279	1,703	2	231	4	2,219

THE SCHOOLS BUDGET

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

There is a total in year underspent of £32k on DSG funded services as outlined below.

An analysis of the main variations is provided below:

	£000 Outturn Variance
SEN - Pre School Service	Cr 209
SEN - FE Colleges	Cr 159
SEN - Placements	45
SEN - Other Variations	73
Free Early Education	Cr 486
Home and Hospital	279
High Need Recoupment	490
Other Variations	Cr 65
Final Outturn	Cr 32

The most significant variations above are:-

a) Free Early Years Education has underspent by £424k this year. The budget for the 2 year old children has overspent by £60k and this is being offset by an underspend for 3 & 4 years old children funding (in both original 15 hours and the new additional 15 hours allocations) of £484k. Due to the underspend in this area it is expected that there will be an element of clawback by DfE in the DSG in the new financial year. The final amount will depend on the impact of the Early Year Census that took place January. Any adjustment will be made retrospectively.

b) The High Needs Pre-School Service is currently holding a number of vacant posts resulting in a £209k underspend. Some of this underspend will be used in the longer term to fund places at the Riverside as the provision for classes will be transferring there.

c) SEN Support for clients in Further Education Colleges has underspent by £159k this year. This is due to an underspend in the cost of placing clients with Independent providers. This underspend is partially offset by the cost of placements in colleges.

d) The Home and Hospital service has overspent by £279k due to the splitting out of the Nightingale school from the service and general pressures overall. The Home and Hospital service is in the process of being reviewed.

INVEST TO SAVE FUND

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

Five schemes have been approved to date and, as at 31st March 2018, the actual balance on the Fund stood at £15,972k as detailed in the table below:

Scheme	Approval date (Council/Exec)	Contrib- utions £'000	Approved "loans" £'000	To 31st March 2018		
				Advanced from Fund £'000	Repaid to Fund £'000	Net "loan" 31/03/18 £'000
Approved funding						
Initial Funding allocation	Oct-11	14,000				
Council Tax Freeze grant	Feb-12	3,304				
Approved schemes						
Green waste/textile collection service	Dec-11		220	220	220	0
Replace street lighting columns	Nov-12		8507	8435	7202	1233
Bellegrove - refurbishment	Jan-13		400	508	508	0
Stamented pupils - travel training	Apr 13 & Jul 14		460	272	272	0
Transfer CSC to Liberata	Sep-13		330	322	223	99
			17,304	9,917	9,757	1,332
Actual Fund balance 31/03/18						15,972