

## Renewal, Recreation &amp; Housing Budget Monitoring Summary

2017/18 Actuals £'000	Division Service Areas	2018/19 Original Budget £'000	2018/19 Latest Approved £'000	2018/19 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	<b>ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT</b>							
	<b>Planning</b>							
Cr 7	Building Control	82	82	57	Cr 25	1	0	0
Cr 140	Land Charges	Cr 126	Cr 126	Cr 126	Cr 0	2	0	0
764	Planning	736	711	651	Cr 60	3	0	0
850	Renewal	801	956	956	0		0	0
<b>1,467</b>		<b>1,493</b>	<b>1,623</b>	<b>1,538</b>	<b>Cr 85</b>		<b>0</b>	<b>0</b>
	<b>Recreation</b>							
1,686	Culture	1,786	1,828	1,846	18	4	0	0
5,784	Libraries	5,030	5,030	5,030	0		0	0
219	Town Centre Management & Business Support	189	181	181	0		0	0
<b>7,689</b>		<b>7,005</b>	<b>7,039</b>	<b>7,057</b>	<b>18</b>		<b>0</b>	<b>0</b>
	<b>ECS - Housing</b>							
194	Housing Improvement	203	203	203	0		0	0
<b>194</b>		<b>203</b>	<b>203</b>	<b>203</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>9,156</b>	<b>Total Controllable ECS DEPT</b>	<b>8,701</b>	<b>8,865</b>	<b>8,798</b>	<b>Cr 67</b>		<b>0</b>	<b>0</b>
Cr 814	<b>TOTAL NON CONTROLLABLE</b>	2,542	2,542	2,542	0		0	0
2,466	<b>TOTAL EXCLUDED RECHARGES</b>	1,857	1,857	1,857	0		0	0
<b>10,808</b>	<b>Total ECS DEPARTMENT</b>	<b>13,100</b>	<b>13,264</b>	<b>13,197</b>	<b>Cr 67</b>		<b>0</b>	<b>0</b>
	<b>EDUCATION, CARE &amp; HEALTH SERVICES DEPARTMENT</b>							
	<b>Operational Housing</b>							
913	Supporting People	1,013	1,013	939	Cr 74	5	0	Cr 94
8,074	Housing Needs	6,241	6,241	7,823	1,582	6	0	1,943
0	Housing Needs Drawdown	0	0	Cr 1,597	Cr 1,597	6	0	Cr 1,135
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,838	Housing Benefits	Cr 1,984	Cr 1,984	Cr 1,984	0		0	0
<b>7,149</b>	<b>Total Controllable ECHS DEPT</b>	<b>5,269</b>	<b>5,269</b>	<b>5,180</b>	<b>Cr 89</b>		<b>0</b>	<b>714</b>
789	<b>TOTAL NON CONTROLLABLE</b>	286	286	286	0		0	0
3,209	<b>TOTAL EXCLUDED RECHARGES</b>	3,675	3,675	3,675	0		0	0
<b>11,147</b>	<b>Total ECHS DEPARTMENT</b>	<b>9,230</b>	<b>9,230</b>	<b>9,141</b>	<b>Cr 89</b>		<b>0</b>	<b>714</b>
<b>10,808</b>	<b>PORTFOLIO TOTAL</b>	<b>22,330</b>	<b>22,494</b>	<b>22,338</b>	<b>Cr 156</b>		<b>0</b>	<b>714</b>

Reconciliation of Latest Approved Budget £'000

Original budget 2018/19	13,943
Transfer of Housing to Renewal, Recreation & Housing Portfolio	8,387
<b>2018/19 Revised Original Budget</b>	<b>22,330</b>

## Carry Forward Requests approved from 2017/18

Implementing Welfare Reform Changes - Grant Expenditure	55
Implementing Welfare Reform Changes - Grant Income	Cr 55
Flexible Homeless Grant - Expenditure	83
Flexible Homeless Grant - Income	Cr 83
Fire Safety Grant - Expenditure	44
Fire Safety Grant - Income	Cr 44
Planning Strategy & Projects - Custom Build Grant - Expenditure	30
Planning Strategy & Projects - Custom Build Grant - Income	Cr 30
Asset Recovery Incentivisation Scheme - Expenditure	85
Asset Recovery Incentivisation Scheme - Income	Cr 85
New Homes Bonus	208

## Central Contingency Adjustments

Beckenham and Penge BID	Cr 44
National Increase in Planning Fee - Expenditure	240
National Increase in Planning Fee - Income	Cr 240

Latest Approved Budget for 2018/19 22,494

## **REASONS FOR VARIATIONS**

### **1. Building Control Cr £25k**

For the chargeable service, an income deficit of £88k is projected based on actual income for April and May 2018. This is mostly offset by a projected underspend within salaries of £66k arising from reduced hours working / vacancies. In accordance with Building Account Regulations, the net deficit of around £22k will reduce the cumulative surplus on the Building Control Charging Account from Cr £203k to Cr £181k.

Within the non-chargeable service, as a result of delays in not appointing to vacant posts, and part year vacancies, there is a projected underspend of £25k.

### **2. Land Charges £0k**

Land Charge income for April and May 2018 is down on profiled budget by around £7k. This is fully offset by an underspend on staffing due to reduced hours. No variation is projected for 2018/19 at this stage. If the income continues to drop, officers will have to consider increasing the current charges.

### **3. Planning Cr £60k**

Income from non-major planning applications is above budget for the first two months of the year, and a surplus of around £60k is projected for 2018/19. For information, actual income received for April and May 2018 is £212k compared with £171k in 2017/18.

For major applications, £118k has been received as at 31st May, which is £72k higher than for the same period in 2017/18, however because the timing of this income varies, a balanced budget is projected from major applications at this early stage of the year. This budget will be closely monitored over the next few months.

### **4. Culture Dr £18k**

In line with December 2017 RPIX, 4.2% inflation was applied to Bromley MyTime, 2.2% higher than the 2% inflation built into the 2018/19 budget. This has resulted in a projected overspend of £18k on Culture.

### **5. Supporting People Cr £74k**

A £74k underspend is currently forecast in the Supporting People area. However there is currently a concern over one of the contracts that may result in it being terminated before the end date. If this is the case, it is expected that additional costs will result and the cost of the contract will be higher once it has been re-tendered.

### **6. Housing Needs Cr £15k**

There is currently an overspend of £1,135k in the Temporary Accommodation area. This is due to higher than expected increase in clients going into nightly paid accommodation so far this year.

As additional budget is going to be asked to be drawdown from contingency later in the year to cover this pressure on Temporary Accommodation, the forecast for this is zero.

In addition, by necessity there has been an increased use of non-self-contained accommodation outside of London. Although this appears beneficial as the charges are lower, the Housing Benefit Subsidy is capped at the January 2011 Local Housing Allowance (LHA) rates, thus often making these placements more costly than those in London, especially when moving and furniture costs are factored in.

It is currently estimated that the provision for bad debts (Rent Account income not collected) is going to increase this year by £462k more than the budget. Within the central contingency there is a provision set aside for this, and it is anticipated that some of this will need to be drawn down this year.

The properties owned by LBB and used for placing temporary accommodation clients is currently expected to underspend by £9k.

The Travellers budget is overspending by £60k and this is due to one of the sites experiencing high use of utilities (overspend of £47k) due to the site not having meters and loss of income (£13k) due to particular residents rent arrears.

The remaining £66k underspend is due an overspend on the Housing Needs running costs (£94k) that is being offset by the underspend on staffing costs (£160k). Housing are currently working on the final staffing structure they require to meet the new housing legislation. The funding required will be requested for drawdown later in the year.

**Summary of overall variations within Housing:**

	<b>£'000</b>
Temporary Accommodation	1,135
Increase in Bad Debt Provision	462
Contingency Drawdown	Cr 1,597
Travellers Sites	60
Housing Needs running costs	94
Housing Needs staffing	Cr 160
LBB Properties	Cr 9
<b>Total variation for Housing</b>	<b><u>Cr 15</u></b>

**Waiver of Financial Regulations:**

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be 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 have been actioned.

1) Repairs required to original refurbishment works at Bromley High Street costing £11k (Capital Scheme); £191k 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, 1 virement has been actioned:

1) Within housing for £18k relating to the realignment of staffing costs charged to capital.