

## GENERAL FUND - PROVISIONAL OUTTURN FOR 2018/19

Portfolio	2018/19 Original Budget £'000	Budget Variations allocated in year # £'000	2018/19 Latest Approved Budget £'000	2018/19 Projected Outturn £'000	Variation £'000	Variation previously reported Exec 11/07/18 £'000
Adult Care & Health	67,346	1,040	68,386	68,719	333	308
Education, Children & Families (incl. Schools' Budget)	40,189	0	40,189	42,219	2,030	1,619
Environment & Community	30,546	Cr 543	30,003	29,862	Cr 141	Cr 14
Public Protection & Enforcement	2,424	54	2,478	2,360	Cr 118	Cr 85
Renewal, Recreation & Housing	13,970	164	14,134	14,083	Cr 51	Cr 156
Resources, Commissioning & Contracts Management	46,797	854	47,651	47,104	Cr 547	7
<b>Total Controllable Budgets</b>	<b>201,272</b>	<b>1,569</b>	<b>202,841</b>	<b>204,347</b>	<b>1,506</b>	<b>1,679</b>
Capital, Insurance & Pensions Costs (see note 2)	12,056	0	12,056	12,056	0	0
Non General Fund Recharges	Cr 759	0	Cr 759	Cr 759	0	0
<b>Total Portfolios (see note 1)</b>	<b>212,569</b>	<b>1,569</b>	<b>214,138</b>	<b>215,644</b>	<b>1,506</b>	<b>1,679</b>
<b>Central Items:</b>						
Income from Investment Properties	Cr 9,973	200	Cr 9,773	Cr 9,521	252	389
Interest on General Fund Balances	Cr 3,491	0	Cr 3,491	Cr 3,841	Cr 350	Cr 170
<b>Total Investment Income</b>	<b>Cr 13,464</b>	<b>200</b>	<b>Cr 13,264</b>	<b>Cr 13,362</b>	<b>Cr 98</b>	<b>219</b>
<b>Contingency Provision (see Appendix 4)</b>	<b>14,278</b>	<b>Cr 3,602</b>	<b>10,676</b>	<b>9,222</b>	<b>Cr 1,454</b>	<b>Cr 961</b>
<b>Other central items</b>						
Reversal of net Capital Charges (see note 2)	Cr 10,646	0	Cr 10,646	Cr 10,646	0	0
Utilisation/Set Aside of Prior Year Collection Fund Surplus	2,210	0	2,210	2,210	0	0
New Homes Bonus Support for Revenue	Cr 2,256	0	Cr 2,256	Cr 2,256	0	0
Contribution to Technology Fund - IT Strategy	0	3,500	3,500	3,500	0	0
Levies	1,262	0	1,262	1,262	0	0
<b>Total other central items</b>	<b>Cr 9,430</b>	<b>3,500</b>	<b>Cr 5,930</b>	<b>Cr 5,930</b>	<b>0</b>	<b>0</b>
<b>Prior Year Adjustments</b>						
Mental Health Provision	0	0	0	Cr 328	Cr 328	0
<b>Total Prior Year Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Cr 328</b>	<b>Cr 328</b>	<b>0</b>
<b>Total all central items</b>	<b>Cr 8,616</b>	<b>98</b>	<b>Cr 8,518</b>	<b>Cr 10,398</b>	<b>Cr 1,880</b>	<b>Cr 742</b>
<b>Bromley's Requirement before balances</b>	<b>203,953</b>	<b>1,667</b>	<b>205,620</b>	<b>205,246</b>	<b>Cr 374</b>	<b>937</b>
Carry Forwards from 2017/18 (see note 3)	0	Cr 1,296	Cr 1,296	0	1,296	1,296
Carry Forward from 2017/18 (R&M)	0	Cr 163	Cr 163	0	163	163
<b>Adjustment to Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Cr 1,085</b>	<b>Cr 1,085</b>	<b>Cr 2,396</b>
<b>Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)</b>	<b>203,953</b>	<b>208</b>	<b>204,161</b>	<b>204,161</b>	<b>0</b>	<b>0</b>
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 41,960	0	Cr 41,960	Cr 41,960	0	0
New Homes Bonus	Cr 3,534	0	Cr 3,534	Cr 3,534	0	0
New Homes Bonus Topslice	0	Cr 208	Cr 208	Cr 208	0	0
Collection Fund Surplus	Cr 7,852	0	Cr 7,852	Cr 7,852	0	0
<b>Bromley's Requirement</b>	<b>150,607</b>	<b>0</b>	<b>150,607</b>	<b>150,607</b>	<b>0</b>	<b>0</b>
GLA Precept	38,251	0	38,251	38,251	0	0
<b>Council Tax Requirement</b>	<b>188,858</b>	<b>0</b>	<b>188,858</b>	<b>188,858</b>	<b>0</b>	<b>0</b>

# Budget Variations allocated to portfolios in year consists of:

	£'000	
1) Carry forwards from 2017/18	1,459	(see note 3)
2) Allocations from the central contingency provision	110	(see Appendix 4)
	<u>1,569</u>	

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2018/19 Original Budget £'000	Budget Variations allocated in year # £'000	2018/19 Latest Approved Budget £'000	2018/19 Projected Outturn £'000	Variation £'000	Variation previously reported Exec 11/07/18 £'000
Education Care & Health Services	129,664	861	130,525	132,832	2,307	1,849
Environment & Community Services	57,257	Cr 440	56,817	56,528	Cr 289	Cr 229
Chief Executive's Department	25,648	1,148	26,796	26,284	Cr 512	59
	<b>212,569</b>	<b>1,569</b>	<b>214,138</b>	<b>215,644</b>	<b>1,506</b>	<b>1,679</b>

2) **Reversal of net Capital Charges**

This is to reflect the technical accounting requirements contained in CIPFA's Code of Practice for Local Authority Accounting and has no impact on the Council's General Fund.

3) **Carry Forwards from 2017/18**

Carry forwards from 2017/18 into 2018/19 totalling £1,459k were approved by Council and the Executive. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2017/18" report.

## **Comments from the Executive Director of Environment and Community Services**

### **(Environment & Community Portfolio)**

The Environment & Community Portfolio has a net underspend of £141k for 2018/19. This is mainly from Waste Services (£78k), with other net variances across the Portfolio totalling Cr £63k.

The variances in Waste Services are mostly from the green garden waste service due to an increase in the number of customers and lower use of the sixth vehicle.

Income from parking charges continues to decline and the reduction in parking contraventions has been offset by additional bus lane contraventions.

### **Analysis of Risks**

#### **– Environment & Community 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 the 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.

#### **– Renewal, Recreation and Housing 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.

For major appeals, which can arise unpredictably, there is often a need for specialist external consultants advice which creates additional costs.

#### **– Public Protection & Enforcement Portfolio**

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

## **Comments from the Director of Corporate Services (Resources, Commissioning & Contract Management Portfolio) including Risk Areas**

Caseloads in children's services continue at a higher level than has previously been the case. Normal caseloads have historically been c48 new cases per annum. In 2017/18, 74 sets of proceedings were issued which is on a downward trend from 2016/17 when there were 98 sets of new childcare cases. It is difficult to provide an accurate forecast of the case numbers for 2018/19, however it is expected that there will be around 70 cases. A minimum court fee of £2,025 is payable on each case which means that with an estimated additional 22 cases being issued, there could be an additional minimum cost of £44,550. The only way to avoid this would be 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.

Childcare cases typically take between 3-9 months to conclude therefore there is an ongoing cost pressure from cases which were issued in 2017/18 which were not concluded in that year which has been exacerbated by the continuing high level of new instructions. As was reported previously, 3 new lawyers with advocacy experience were recruited. Unfortunately all 3 have already left/decided to leave and additionally an experienced advocate in the team has recently left to take up a senior managerial role at another local authority. This has had a major impact on using in-house staff for advocacy, to gradually reduce spend on Counsel.

### **Comments from the Deputy Chief Executive & Executive Director of Education, Care and Health Services**

The Adult, Care and Health Services Portfolio has an overspend of £333k for the year. This is a demand led service that has scrutiny of spend and quality built into the process such as PRG and other case discussion forums for each service area.

The overspend includes the unrealised savings of £150k that was predicated on the transfer of re-ablement to BHC. As the transfer did not happen, this is reflected in the overspend of £333.

The overspend is related to the growing number of service users supported, which is above the numbers and baseline of the budget that was agreed in this financial year. As a demand led service, we are statutorily bound to provide support and care to residents based on their assessed needs. In addition, we are providing more support to carers to ensure they adequately support their loved ones to reduce escalation to statutory care services.

Bromley health and social care has seen a very busy summer with higher than ever recorded attendances at the PRUH, in turn we have seen a spike in both residential and nursing care placements (15) and emergency placements (16) having to be made.

The overspend reflects the growing number of young people with statutory statements of need who are being transferred from children's services. We are also seeing a number of providers managing challenging behaviour of older people with dementia and requesting additional staffing to care for them in a safe and humane way. These cases are automatically referred to the CCG for joint funding decisions which will continue as stated above.

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. We are seeing high demand from very complex cases where frailty and conditions relating to disability and ageing are compounded by the need for double handed care, sometimes 1 to 1 care provision to stabilise challenging behaviour.

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

### **Housing**

The end of year position in housing services is estimated to be an £36k credit, although this assumes that £1,477k will be drawn down from the contingency to mitigate the ongoing homelessness pressures being experienced in Bromley. This includes additional provisions for bad debts arising mainly from the roll out of welfare reform, increases in the levels of homelessness and increases in the cost of the provision. Underspends in other areas help mitigate the pressures overall.

The key risks in the Renewal, Recreation and Housing Portfolio are:-

- i) Increased homelessness and the associated costs
- ii) Introduction of the Homeless Reduction Act
- iii) Increased rent arrears arising from roll out of Welfare reform

### **- Education, Children and Families Portfolio**

The Education, Children and Families Portfolio has an overspend of £2,030k for the year.

The Education Division has an overspend of £34k. Pressures in Adult Education, in house nurseries and the Education Welfare Service are currently being partly mitigated by Workforce Development and Governor Services and SEN and Inclusion.

Pressures also continue in the Dedicated Schools Grant (DSG) element of the service. In 2018/19 there will be an in year overspend of £354k of DSG. Whilst this can be absorbed by carry forward DSG balances, there continues to be ongoing pressures in the DSG, especially in the High Needs Block, for 2019/20 onwards. The introduction of the National Funding Formula (NFF) means there are severe restrictions in how the grant is spent and in what areas. High Needs are experiencing increases in demands. Although there has been funding of £1m from the Council in 2018/19 and £1m top sliced from Schools DSG funding, for 2019/20 there is likely to be further increased pressures in this area that further funding streams will need to address.

In Children's Social Care there is an overspend of £1,996k due to the increased number of children in care. The table below (table 1) sets out the position in respect of the number of CLA in Bromley, National and Statistical Neighbours. Post Ofsted, we saw a nominal increase per 10,000 as set out below. However, we are still below our statistical and national neighbours (an area that Ofsted has asked us to explain). Regardless, we have 48 more children (235) (in year/projected) above an agreed (financial baseline) of 187 children in independent fostering, in-house fostering and residential care (see table 2).

Table 1

**Rate of CLA**

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Bromley	41	41	39	37	39.6	39.3	41.7	40.5
Statistical Neighbours	48	47.5	50	49.7	50.7	54.3	TBC	TBC
National	59	60	60	60	60	62	TBC	TBC

Table 2

Code	2018/19 Approved Budget		2018/19 Forecast			2018/19 Variation	
	£	Full Year Equivalent	£	Full Year Equivalent	£	Full Year Equivalent	
<b>RESIDENTIAL (all types)</b>	<b>5,346,870</b>	28.21	<b>6,476,415</b>	43.13	<b>1,129,545</b>	14.92	
<b>FOSTERING</b>							
Fostering IFA	2,617,790	60.56	3,656,096	80.91	1,038,306	20.35	
Fostering In house	2,873,890	98.53	2,613,764	111.80	(260,126)	13.27	
<b>Total Fostering Placements</b>	<b>5,491,680</b>	159.09	<b>6,269,860</b>	192.71	<b>778,180</b>	33.62	
<b>TOTAL RESIDENTIAL/ FOSTERING PLACEMENTS</b>	<b>10,838,550</b>	<b>187.30</b>	<b>12,746,275</b>	<b>235.84</b>	<b>1,907,725</b>	<b>48.54</b>	

The extension of the statutory age of children in care to 25 is another factor that is impacting on our budget – the increase in children looked after and therefore their continuing rights and our duties to them now expands from 21 to 25. This will have financial implications in relation to services offered but also will impact on the numbers of social workers/Young Person Advisors to support them. This is an area of growth that is as yet untested in terms of budget setting and implications. We have currently sent out 115 letters to relevant children who are entitled to services up to 25 when before they ceased at 21.

Bromley is part of the Pan London Agreement in relation to receiving unaccompanied minors.

Bromley now have 34 unaccompanied minors in the system. There are currently only 7 Local Authorities that are on the rota that are able to take children and who have not reached the threshold. The children that are coming to Bromley are averaging two children a week. In addition these children are under the age of 16 and very few are age disputed. These young people are very vulnerable and traumatised and therefore cannot or should not be placed in semi-independent placements. They require suitable foster carers to be identified who can support and manage some of the behaviours manifested by these children. This is therefore a growth area which will continue until Bromley reach the threshold of 53 children, a further 19 children to be Looked After. At the point we reach the threshold we will be removed from the Rota for a period of time.

Although the Council are given grant (£91 per day for a 16+, £114 per day for an U16) this does not cover the costs of the placements and the on costs. An additional 30 children (based on 23 last reported in May and the maximum allocation of 53) placed in independent foster care could cost as much as £1,350k gross per annum in a full year in placements alone. There would also be costs of additional social workers and other back office costs of £400k. This would be offset by grant of £930k leaving a net position of £820k.

This is the worst case scenario and assumes that all of the children are placed in more expensive settings so the final amount will be subject to the actual setting they are placed in.

Residential Placements - as has been highlighted recently in a Judgement and in the in the press Judge Lazarus who was hearing an application for secure accommodation in respect of one our children confirmed the young person met the secure criteria and whilst being certain this would be the right placement we were unable to acquire a secure bed. She highlighted that at any one time there are 30 applications for one or two beds and stated 'this then leads to a distortion of a negative filtering exercise where children in need of accommodation are repeatedly rejected' as has happened in the case of our child. This means the child remains at risk, unsafeguarded by virtue of no secure bed available or willing to take him and the Local Authority are left with trying to find residential care and placing 3:1 support around him. This support is unable to prevent a child from leaving any establishment because they do not have the mandate to restrain him. The fact the Local Authority are left with the risk they are also left with a huge financial responsibility often amounting to around £8,500 per week and more and this cannot be predicted when setting budgets. She complimented this Local Authority and its social workers for their tenacity and efforts but acknowledged it was unlikely to yield a secure bed due to the issues in the secure estate.

During the course of this year we have had 4 children who met the secure threshold and no bed was available this has resulted in a cost of between £8,500 and £8,900 per week for each child. These 4 children at any one time has cost the Authority £34k per week at the lower rate and £36k at the high rate. These costs continue until a secure bed is available.

Colleagues within the placement team have approached over 180 providers to consider if they will offer a placement and they have refused because of the risk he poses hence he has to be in a standalone placement with 3:1 around him for 24 hours each day.

At the current time he is the only young person in such a placement with 2 other young people presently now in secure but these children will only remain in secure for the maximum of 6 months and they will require a step down which again will require increased staffing of 2:1 equating to around £7,000 to £7,500 per week until their profile reduces.

At any one time we have at least 2 children requiring and reaching threshold of secure to ensure that they are safeguarded from themselves and sometimes others.

If we were to consider with the shortage of secure beds at least 2 children requiring high cost placements in place of secure this would cost per child £442,000 per year per child.

Management action has been put in place of £700k to reduce the overall financial position of Children's Social Care to £1,996k overspent. Further management action will be explored to mitigate the overspend as far as possible.

Agency staff continues to be a cost burden although this has been managed within the overall staffing budget. Children's social care recently recruited 30 newly qualified social workers who are permanent and have received their 3 weeks induction and have now been placed within their teams and this will reduce the agency spend. We will not see the full impact of this until they are able to take cases – they will be on a protected caseload as NQSW and we need to be mindful of our caseload promise to social workers within the service.

The key risks in the Education, Children & Families Portfolio are:-

- i) Recruitment and retention of permanent staff/ ability to recruit skilled staff for the vacant posts.
- ii) Limited supply and increasing costs of residential placements – including the specialist placements for very complex young people.
- iii) Increase in the Looked After Population – particularly in our Looked After Unaccompanied Minors population.
- iv) Increased complexity of children (SEND).
- v) Impact of Social Work Act 2017 implementation.
- vi) Income from partners reducing.
- vii) School place issues.

## Adult Care and Health Portfolio Budget Monitoring Summary

2017/18 Actuals	Division Service Areas	2018/19 Original Budget	2018/19 Latest Approved	2018/19 Projected Outturn	Variation	Notes	Variation Last Reported	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
<b>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Adult Social Care</b>								
23,836	Assessment and Care Management	23,462	23,535	24,366	831	1	574	925
0	Planned A&CM savings from management action	0	0	Cr 171	Cr 171		Cr 340	Cr 340
406	Direct Services	144	144	144	0	2	0	0
32,070	Learning Disabilities	33,551	33,733	34,401	668		Cr 566	1,275
0	Planned LD savings from management action	0	0	Cr 123	Cr 123	Cr 464	Cr 268	
6,018	Mental Health	6,273	6,169	6,329	160	3	129	323
0	IBCF Expenditure	0	500	0	Cr 500	4	0	0
Cr 1,009	Better Care Funding - Protection of Social Care	0	0	Cr 369	Cr 369	5	Cr 100	0
Cr 935	Better Care Fund / Improved Better Care Fund	0	0	0	0		0	0
<b>60,386</b>		<b>63,430</b>	<b>64,081</b>	<b>64,577</b>	<b>496</b>		<b>365</b>	<b>1,915</b>
<b>Programmes</b>								
1,639	Programmes Team	1,986	2,460	2,327	Cr 133	6	Cr 28	0
3,152	Information & Early Intervention	2,505	2,505	2,382	Cr 123		0	0
Cr 3,152	- Net Expenditure	Cr 2,420	Cr 2,505	Cr 2,382	123	0	0	
	- Recharge to Better Care Fund							
	Better Care Fund							
21,680	- Expenditure	21,183	21,949	21,949	0	0	0	
Cr 21,819	- Income	Cr 21,275	Cr 22,041	Cr 22,041	0	0	0	
	Improved Better Care Fund							
4,184	- Expenditure	4,490	7,675	7,675	0	0	0	
Cr 4,184	- Income	Cr 5,363	Cr 8,548	Cr 8,548	0	0	0	
	NHS Support for Social Care							
28	- Expenditure	0	1,500	1,500	0	0	0	
Cr 28	- Income	0	Cr 1,500	Cr 1,500	0	0	0	
<b>1,500</b>		<b>1,106</b>	<b>1,495</b>	<b>1,362</b>	<b>Cr 133</b>		<b>Cr 28</b>	<b>0</b>
<b>Strategic &amp; Business Support Services</b>								
300	Learning & Development	372	372	372	0	7	0	0
1,961	Strategic & Business Support	2,383	2,383	2,353	Cr 30		Cr 29	0
<b>2,261</b>		<b>2,755</b>	<b>2,755</b>	<b>2,725</b>	<b>Cr 30</b>		<b>Cr 29</b>	<b>0</b>
<b>Public Health</b>								
15,103	Public Health	14,763	14,763	14,763	0		0	0
Cr 15,096	Public Health - Grant Income	Cr 14,708	Cr 14,708	Cr 14,708	0		0	0
<b>7</b>		<b>55</b>	<b>55</b>	<b>55</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>64,154</b>	<b>TOTAL CONTROLLABLE ADULT CARE &amp; HEALTH</b>	<b>67,346</b>	<b>68,386</b>	<b>68,719</b>	<b>333</b>		<b>308</b>	<b>1,915</b>
1,419	<b>TOTAL NON CONTROLLABLE</b>	221	400	395	Cr 5	8	11	0
2,364	<b>TOTAL EXCLUDED RECHARGES</b>	2,546	2,106	2,106	0		0	0
<b>67,937</b>	<b>TOTAL ADULT CARE &amp; HEALTH PORTFOLIO</b>	<b>70,113</b>	<b>70,892</b>	<b>71,220</b>	<b>328</b>		<b>319</b>	<b>1,915</b>

## Reconciliation of Latest Approved Budget

£'000

## 2018/19 Original Budget

78,500

Transfer of Housing to Renewal, Recreation &amp; Housing Portfolio

Cr 8,387

## 2018/19 Revised Original Budget

70,113

## Carry forwards requests

Better Care Fund - Good Gym

- expenditure 8

- income Cr 8

Better Care Fund

- expenditure 28

- income Cr 28

Improved Better Care Fund

- expenditure 3,172

- income Cr 3,172

Public Health Grant

- expenditure 1,018

- income Cr 1,018

## Other:

2018/19 Improved Better Care Fund allocation - adjusted amount:

- expenditure 13

- income Cr 13

Short term assistance to day centres

Budget Transfer - Rent of Queen Mary's Hospital (CLDT) 80

Transfer of Contracts Administrator post 20

Fire Risk Assessment and Cyclical Maintenance 27

IBCF Expenditure 500

Drawdown of Health Funding

- expenditure 1,500

- income Cr 1,500

## Latest Approved Budget for 2018/19

70,892

## **REASONS FOR VARIATIONS**

### **1. Assessment and Care Management - Dr £660k Net of Management Action**

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 &amp; Cognition</u>		
<b>Services for 65 +</b>		
- Placements		285
- FYE Management Action	Cr	62
- Domiciliary Care / Direct Payments	Cr	63
		<u>160</u>
<b>Services for 18 - 64</b>		
- Placements		365
- FYE Management Action	Cr	108
- Domiciliary Care / Direct Payments		<u>257</u>
		<u>514</u>
<b>Other</b>		
- Day Care	Cr	500
- D2A		486
		<u>660</u>

The 2018/19 budget includes funding for the full year effect of the 2017/18 overspend, less savings agreed as part of management action to reduce this overspend.

#### Services for 65+ - Dr £160k

Numbers in residential and nursing care continue to be above the budget provision, currently by 16 placements above the budget of 414, with an overspend being projected of £285k for the year. This is an increase of 20 places since the last report in May. Income in relation to court of protection cases continues to partly offset this increase in costs.

In addition to the above, there is the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements that has been factored in of £62k. This has been reduced since the last monitoring from £123k as this has not been achieved so far, therefore projections for the remainder of the year have been adjusted accordingly.

The overall position on the domiciliary care and direct payments budgets is an underspend of £63k, which is a change from the overspend position of £151k projected in May, a swing of Cr £214k. This consists of:-

1) There is an overspend of £150k relating to a saving that had already been included in the 2018/19 budget with the expected transfer of the Reablement Service to Bromley Health Care in 2017/18. This did not happen as envisaged, however the saving had already been included in the budget, so currently remains as an overspend.

2) Domiciliary care is currently projected to underspend by £22k, moving from an overspend of £214k in May. An analysis of the budget shows no significant change in hours being delivered, with the majority of the swing from overspend to underspend attributable to increased income from client contributions. As mentioned in the report for May the new charges for domiciliary care only took effect from 4th June, therefore an estimation of the additional income to be received had to be made for that month's monitoring. Actual income received has exceeded that estimation as shown in the revised projections. Direct payments are projected to underspend by £191k, a reduction of £22k from the May projection.

#### Services for 18-64+ - Dr £514k

Placements for 18-64 age group are projected to overspend by £365k this year based on current service user numbers, an increase of £182k since the May position. The main pressure area relates to clients with a primary support reason (PSR) of memory and cognition where the actual number has increased by 3, since May, and several service users having their care packages increased. This is partly offset by those with a PSR of Physical Support reducing by 1. Overall client numbers are currently 51 compared to the budget of 43.

In addition as per the over 65's, there is the full year effect of management action from 2017/18 relating to additional income from the CCG for joint funding of placements that has been factored in of £108k. This has been reduced since the last monitoring from £217k as this has not been achieved so far, therefore projections for the remainder of the year have been adjusted accordingly.

The overall position on the domiciliary care and direct payments budgets is an overspend of £257k, an increase of £100k since May. Domiciliary care is currently projected to overspend by £73k, and direct payments by £184k. The main increase relates to a service user where we have had to pick up, via a direct payment, the cost of care which has been backdated.

#### Day Care Services - Cr £500k

Day Care services continue to show reduced use of the service with low numbers compared to the budget provision. In addition contracts that we had with some providers for the provision of transport to their centres have ended, with the main Greenwich Services Plus (GSP) transport contract taking on these clients. This has resulted in a current projected underspend of £500k.

#### Discharge to Assess (D2A) - Dr £486k

At it's meeting on 27th June the Executive agreed to extend the Discharge to Assess (D2A) pilot for another year. The packages of care provided under the D2A scheme have cost £486k so far this year. Any savings arising from this would show under the appropriate care package heading (ie placements or domiciliary care/direct payments), so would already be taken account of in the projections shown above.

## **2. Learning Disabilities - Dr £545k Net of Management Action**

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

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

As outlined in the May 2018 monitoring report, the 2018/19 LD budget included funding for both the full year effect of the 2017/18 overspend (based on the position at the time the budget was prepared) and 2018/19 demand-related pressures. The 2017/18 final outturn report highlighted that both of these included assumptions on planned savings from management action. The delivery of a balanced budget position in 2018/19 was therefore dependent on these savings being achieved as well as the successful management of continued demand pressures.

Currently an overspend of £545k is anticipated after allowing for management action in relation to planned savings. If management action is excluded, the position is a projected overspend of £668k. The equivalent figures in May 2018 were £102k and £566k respectively.

While this is a significant increase, the impact on the full year effect is even more pronounced, increasing from an overspend of £177k in May 2018 to the current overspend position of £1,007k (both net of management action).

There are many reasons for this increase but the single largest factor is the high number of new and increased care packages over and above those included in the previous forecast. This has in part been mitigated by other factors, including the achievement of savings and the removal of assumptions and / or delay in some previously assumed new / increased packages.

The projections continue to include a number of assumptions so the position is likely to vary as the year progresses. There is nothing factored in to reflect any continued increase in new and increased care packages so projected spend may rise further.

Progress on achieving planned savings is being monitored closely as this is a key element in managing the budget position. The dedicated 'invest to save' team tasked with delivering the savings ceased at the end of September. However there is a number of savings where delivery is still anticipated and the associated 'tail-end' work is embedded within the core care management team. This current set of projections assumes that further savings of Cr £93k will be achieved this year (Cr £268k in a full year). There is also an assumption that management action will result in an additional £30k contribution from Health regarding particular CHC cases.

There is a projected overspend on LD Care Management of £78k. This has arisen mainly from the use of agency staff and additional staff brought in to undertake review work.

## **3. Mental Health - Dr £160k**

Similar to Learning Disabilities above, the 2018/19 MH budget included funding for the full year effect of the 2017/18 overspend based on the position at the time the budget was prepared. The final outturn report highlighted that this assumed a level of savings from management action and that an overspend would result if this was not the case.

The level of savings achieved towards the end of 2017/18 was lower than planned and it is not anticipated that any further savings can be achieved. This is one of the main factors giving rise to the projected overspend of £160k.

The net increase in 2018/19 overspend since May 2018 is relatively small (up £31k from £129k). However this masks an underlying increasing trend (new and increased care packages) which has been mitigated by factors outside Bromley's control e.g. attrition, charging income. The impact on the full year effect is greater and this is now an overspend of £323k, an increase of £167k since the last report.

## **4. IBCF - Cr £500k**

Additional budget from the IBCF had been drawn down to offset in year costs in adult social care and this amounts to £500k credit.

## **5. Better Care Fund - Protection of Social Care - Cr £369k**

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

These services are currently projected to underspend by £369k in 2018/19 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

## **6. Programmes Division - Cr £133k**

### Programmes Team (Cr £133k)

An underspend of £133k is currently anticipated on Programmes Team budgets and this relates principally to staffing budgets (Cr £88k) and contracts (Cr £39k). There has been a high level of staff turnover and interim staff. The additional cost associated with interim staff has been offset by other posts remaining vacant.

### Information and Early Intervention (Dr & Cr £123k)

This budget area encompasses any adult social care-related service or support for which there is no test of eligibility and no requirement for review. It includes: information and advice; screening and signposting; prevention and low-level support; independent advocacy.

An underspend of £123k is anticipated across the whole service. The main element of this is reduced expenditure from the Primary and Secondary Intervention Services Innovation Fund. The underspend on the Fund is shared with Bromley CCG and the Better Care Fund and the element reported here is the net amount for LB Bromley. There are savings in other areas, principally due to minor inflationary savings across a number of contracts and lower than anticipated volumes on the new single advocacy contract. This contract is still relatively new and projected spend may fluctuate until a volume pattern becomes clearer.

The whole Information and Early Intervention Service is one of a range of services protected by the Better Care Fund and, as such, the underspend on this service has been used to offset other pressures within adult social care in line with the intentions of the funding. This is reflected at ref. (5) above.

#### Better Care Fund (nil variation)

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

#### Improved Better Care Fund (nil variation)

The Improved Better Care Fund allocation for 2018/19 is £5.376m. Of this, £873k remains within the Council's central contingency and the balance of £4.503m is within ECHS budgets. In addition, because 2017/18 allocations were agreed relatively late in the financial year, £3.172m of unspent 2017/18 funding was carried forward to 2018/19.

Spend is underway on a number of schemes but some funding remains unallocated. As outlined in the report to the Executive on 10th October 2017, underspends can be carried forward to support expenditure in future years.

### **7. Strategic and Business Support Services Division - Cr £30k**

An underspend of £30k is anticipated on the Strategic and Business Support Services Division. Although there are minor compensating variations across the Division the underspend mainly relates to central departmental running expenses budgets.

### **8. Non-Controllable - Rent**

There is an £5k variation relating to Day Centre rent income.

#### **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, 1 waiver for Adult placements has been agreed for between £50k and £100k and 2 for more than £100k.

#### **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, there have been two virements: 1) £38k for a Head of Mental Health post for an initial short term period and 2) the transfer of a Contracts Administrator post from Corporate Procurement and Commissioning (£20k).

## Education, Children and Families Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	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>EDUCATION CARE &amp; HEALTH SERVICES DEPARTMENT</b>								
<b>Education Division</b>								
Cr 360	Adult Education Centres	Cr 525	Cr 525	Cr 373	152	1	155	130
418	Schools and Early Years Commissioning & QA	524	524	545	21	2	Cr 43	0
5,583	SEN and Inclusion	5,820	6,555	6,439	Cr 116	3	Cr 31	0
95	Strategic Place Planning	96	96	96	0		0	0
6	Workforce Development & Governor Services	5	5	Cr 49	Cr 54	4	0	0
Cr 167	Education Services Grant	0	0	0	0		0	0
185	Access & Inclusion	165	130	161	31	5	14	0
Cr 1,312	Schools Budgets	Cr 1,348	Cr 1,348	Cr 1,348	0	6	0	0
102	Other Strategic Functions	1,038	338	338	0		0	0
<b>4,550</b>		<b>5,775</b>	<b>5,775</b>	<b>5,809</b>	<b>34</b>		<b>95</b>	<b>130</b>
<b>Children's Social Care</b>								
1,248	Bromley Youth Support Programme	1,479	1,479	1,536	57	7	0	0
686	Early Intervention and Family Support	1,093	1,093	1,003	Cr 90		0	0
4,912	CLA and Care Leavers	5,066	5,066	4,982	Cr 84		Cr 41	520
13,592	Fostering, Adoption and Resources	13,638	13,638	16,723	3,085		Cr 2,492	2,852
0	Management action - Additional CCG Income	0	0	Cr 500	Cr 500		Cr 505	Cr 500
2,833	Referral and Assessment Service	2,909	2,909	2,727	Cr 182		0	Cr 174
2,176	Safeguarding and Care Planning East	2,159	2,159	1,930	Cr 229		0	Cr 198
3,874	Safeguarding and Care Planning West	3,810	3,810	3,823	13	0	0	
4,290	Safeguarding and Quality Improvement	4,260	4,260	4,386	126		58	0
	Planned savings from management action	0	0	Cr 200	Cr 200	Cr 480	Cr 400	
<b>33,611</b>		<b>34,414</b>	<b>34,414</b>	<b>36,410</b>	<b>1,996</b>		<b>1,524</b>	<b>2,100</b>
<b>38,161</b>	<b>TOTAL CONTROLLABLE FOR EDUCATION, CHILDREN &amp; FAMILIES</b>	<b>40,189</b>	<b>40,189</b>	<b>42,219</b>	<b>2,030</b>		<b>1,619</b>	<b>2,230</b>
3,257	<b>Total Non-Controllable</b>	2,006	2,088	2,073	Cr 15			0
7,309	<b>Total Excluded Recharges</b>	8,126	8,126	8,126	0		0	0
<b>48,727</b>	<b>TOTAL EDUCATION, CHILDREN &amp; FAMILIES PORTFOLIO</b>	<b>50,321</b>	<b>50,403</b>	<b>52,418</b>	<b>2,015</b>		<b>1,619</b>	<b>2,230</b>
<b>Memorandum Item</b>								
<b>Sold Services</b>								
29	Education Psychology Service (RSG Funded)	Cr 107	Cr 107	Cr 75	32	8		0
7	Education Welfare Service (RSG Funded)	Cr 32	Cr 32	10	42		0	0
3	Workforce Development (DSG/RSG Funded)	Cr 4	Cr 4	Cr 50	Cr 46		0	0
43	Community Vision Nursery (RSG Funded)	49	49	81	32		0	0
75	Blenheim Nursery (RSG Funded)	76	76	101	25		0	0
<b>157</b>	<b>Total Sold Services</b>	<b>Cr 18</b>	<b>Cr 18</b>	<b>67</b>	<b>85</b>		<b>0</b>	<b>0</b>
<b>Reconciliation of Latest Approved Budget</b>								
<b>Original Budget 2018/19</b>								
<b>50,321</b>								
<b>Contingency:</b>								
SEN Implementation Grant 2018/19								
- expenditure 189								
- income Cr 189								
SEND Preparation for Employment Grant 2018/19								
- expenditure 63								
- income Cr 63								
SEN Pathfinder Grant 2018/19								
- expenditure 28								
- income Cr 28								
<b>Carry forwards:</b>								
SEN Implementation Grant 2016/17								
- expenditure 20								
- income Cr 20								
SEN Pathfinder Grant 2016/17								
- expenditure 16								
- income Cr 16								
Early Years Grant								
- expenditure 15								
- income Cr 15								
School Improvement Grant								
- expenditure 47								
- income Cr 47								
High Needs Strategic Planning Fund								
- expenditure 13								
- income Cr 13								
Delivery Support Fund								
- expenditure 69								
- income Cr 69								
Tackling Troubled Families								
- expenditure 498								
- income Cr 498								
<b>Other:</b>								
Fire Risk Assessment and Cyclical Maintenance 82								
<b>Latest Approved Budget for 2018/19</b>								
<b>50,403</b>								

## **REASONS FOR VARIATIONS**

### **1. Adult Education - Dr £152k**

The Adult Education service is currently projecting to overspend by £152k. The main pressure areas for the service are £99k for staffing costs to provide required courses and preparing for the OFSTED inspection that is due in the near future. There is also an under collection of income of £58k as compared to the baseline budget.

There is a small underspend on the running costs (£5k) that is offsetting the on-going pressures.

### **2. Schools and Early Years Commissioning & QA - Dr £21k**

The in-house nurseries are currently in the process of being restructured. This financial year will be part year under the existing structure and part year under the new structure. This has had the effect of expecting the nurseries to overspend by £57k for the year.

These cost pressures are being offset by the current staffing underspends of £45k that are mainly due to vacant posts.

There is a small overspend on the running costs of £9k.

### **3. SEN and Inclusion - Cr £116k**

The staffing in this area is currently forecasting an underspend by £40k. This is due to changes to how posts are being funded - removing some from grant funding and including others.

The Education Psychologists are currently in the process of recruiting to the vacant posts in their team. This is causing the statutory service they are required to provide to be underspent by £56k and the Trading Service they offer to the Schools to be overspent by £32k due to the use of expensive agency staff to provide the service. This is a net underspend of £24k.

SEN Transport is currently forecast to underspend by £52k due to the expected additional collection of income from other LA's. This figure may change during the year as route rationalisation occurs.

### **4. Workforce Development & Governor Services - Cr £54k**

The projected underspend is due to a detailed review of the service that has identified a number of running costs that are not likely to be used during this financial year.

### **5. Access & Inclusion - Dr £31k**

The Education Welfare Service Trading Account is currently expected to under collect on its income by £42k due to the loss of a number of school contracts. The provision of the service will need to be reviewed.

There is currently expected to be an underspend of £7k on the cost for transporting mainstream children to their school.

There is a small underspend on the running costs of £4k that is offsetting the on-going pressures.

### **6. Schools Budgets (no impact on General Fund)**

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

There is a current projected overspend in DSG of £354k. This will be deducted from the £1,180k carried forward from 2017/18. £188k of the brought forward balance has been allocated to support the central DSG services in-year. The carry forward figure has been adjusted by the Early Year adjustment which has reduced the amount we received in 2017/18 by £166k. This gives us an estimated DSG balance of £472k at the end of the financial year.

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

Bulge class are currently expected to underspend by £128k for this financial year. Additionally we are currently expecting to spend £224k on modular classroom rentals during the year. Both of these figures may change once the requirements for the new academic year have been established from the October school census.

The Early Years Support Service has a small underspend of £8k expected for this year due to a staff vacancy that is expected to be filled by the end of the year.

There is an underspend of £43k in the Pupil Support Services area. This is due to vacant posts and the under use of agency and consultancy costs to provide the service.

The Home and Hospital service has a pressure of £112k due to the splitting out of the Nightingale school from the service. The Home and Hospital service is in the process of being reviewed.

There is an underspend of £135k in the Pupil Support Services area. This is due to vacant posts and the under use of agency and consultancy costs to provide the service.

The Behaviour Support service is currently expected to underspend by £70k based on expected costs for the year.

The Education Welfare service is currently forecast an overspend of £18k due to higher staffing costs than expected

Due to a late adjustment of the recoupment at one of the schools in Bromley, there is any additional £83k worth of recoupment that the council has not budgeted for and is therefore causing a pressure on the DSG.

SEN placements are projected to overspend by a total of £759k. The overspend is being caused by the Maintained Day (£292k), Independent Day (£651k), Matrix Funding (£87k) and Alternative Programmes (£204k). These overspends are then offset by underspends on Independent Boarding Schools (£161k) and Maintained Boarding Schools (£314k).

The SEN placement budget pressure is coming from increased pupil numbers, this is in spite of the increases in in-borough Special Education places at Bromley schools.

SEN Support for clients in Further Education Colleges is expected to underspend by £366k this year. This is due to the underspend in the cost of placing clients with Independent providers and having more in borough placements.

The DSG funded element of SEN Transport is projected to overspend by £84k due to the new routes that were established in the last year. The level of spend in this area has been lower in previous years. Due to the current funding regulations LBB are not permitted to increase this budget from the previous years allocation.

The High Needs Pre-School Service is currently holding a number of vacant posts resulting in a £180k underspend. There are not currently any plans to recruit to these posts as there is an on-going review of the service. This underspend is being offset by the pressure relating to the rental cost of the building the service is in and is therefore causing the underspend to reduce to £57k.

The Sensory Support Service is underspent by £43k. This is due to staffing costs expected to be lower than the budget in year.

The SIPS and Outreach & Inclusion Services are all currently projected to underspend. Most of the underspend relates to lower than expected staffing costs, but there is also a small amount that relates to running costs that are not expected to be incurred during the year. The total of all of these underspends is a £107k. These are then being offset by the overspend in the Darrick Wood Hearing Units and the Complex Needs team (totalling £53k) to give a net underspend of £54k.

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

	Variations £'000	High Needs £'000	Schools £'000	Early Years £'000	Central £'000
Bulge Classes	-128	0	-128	0	0
Classroom Hire	224	0	224	0	0
Early Year Support	-8	0	0	-8	0
Primary Support Team	-43	0	0	0	-43
Home & Hospital	112	112	0	0	0
Pupil Support Services	-135	-135	0	0	0
Behaviour Support	-70	-70	0	0	0
Education Welfare Officers	18	0	0	0	18
Late Adjustment to DSG Recoupment	83	0	83	0	0
Other Small Balances	-10	-8	0	0	-2
SEN:					
- Placements	759	759	0	0	0
- Support in FE colleges	-366	-366	0	0	0
- Transport	84	84	0	0	0
- High Needs Pre-school Service	-57	-57	0	0	0
- Sensory Support	-43	-43	0	0	0
- SIPS	-27	0	0	-27	0
- Darrick Wood Hearing Unit	28	28	0	0	0
- Complex Needs Team	25	25	0	0	0
- Outreach & Inclusion Service	-80	-80	0	0	0
- Other Small SEN Balances	-12	-7	0	0	-5
<b>Total</b>	<b>354</b>	<b>242</b>	<b>179</b>	<b>-35</b>	<b>-32</b>

There will continue to be pressures in the DSG from 2019/20 onwards, especially in the High Needs Block area. More children are coming through the system which will put pressure on DSG resources. In 2018/19 DfE agreed that LBB could top slice £1m from the Schools DSG to underpin the High Needs budget. A further request will have to be put forward to DfE if this is going to be transferred again. From 2020/21 this will no longer be available as the 'hard formula' National Funding formula kicks in and funding blocks are even more rigidly fixed.

## **7. Children's Social Care - Dr £1,996k**

The current budget variation for the Children's Social Care Division is projected to be an overspend of £1,996k. Despite additional funding being secured in the 2018/19 budget, continued increases in the number of children being looked after together with the cost of placements has continued to put considerable strain on the budget. Officers met to discuss ways to mitigate this, and management action of £480k was agreed last cycle. This has reduced to £200k this cycle due to the limited success so far this year.

### **Early Intervention & Family Support - Cr £90k**

There will be an underspend in this area due to salary and running expense in year underspends.

### **Bromley Youth Support Programme - Dr £57k**

The BYSP budget is projected to overspend by £57k this year, analysed as follows:

#### **- Youth Service - Dr £15k**

Staffing is projected to be underspent by £29k and contributions to other local authorities by £41k. This is offset by projected overspends on Premises and Transport costs of £20k, supplies and services of £60k and income of £5k.

#### **- Business Partnership's - Dr £2k**

Staffing is projected to be underspent by £45k this is offset by a projected underachievement of income from schools of £47k.

#### **- Youth Offending Team - Dr £40k**

Staffing is projected to be underspent by £22k this is offset by a projected overspend of £3k on business rates and £59k on professional fees.

#### CLA and Care Leavers - Cr £84k

Expenditure relating to the 'Staying Put' grant, where care leavers can remain with their foster carers after the age of 18, continues to show an overspend on the budget. The budget was realigned for 2018/19 within available resources, however an overspend of £111k is currently projected.

Staffing costs are projected to be £116k underspent whilst direct accommodation support to looked after children (net of housing benefit) is projected to be £79k underspent.

#### Fostering, Adoption and Resources - £2,585k

The budget for children's placements is currently projected to overspend by £2,624k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £1,855k
- Boarding Schools - Dr £94k
- Secure Accommodation & Youth on Remand - Cr £289k
- Fostering services (IFA's) - Dr £1,038k
- Fostering services (In-house, including SGO's and Kinship) - Dr £333k
- Adoption placements - Dr £157k
- Transport Costs - Cr £64k

Included in the variations above, Bromley CCG have allocated funding of £500k as a contribution towards the continuing care costs of placements. Additional funding of £500k is also being sought from the CCG as a contribution to these placements and officers are in the process of negotiations over this amount. Should this latter amount not be agreed upon then the overspend will increase significantly.

Staffing costs are projected to be £39k underspent for the year.

#### Referral and Assessment Service - Cr £182k

The main projected variance relates to services to people with No Recourse to Public Funds (NRPF), which is currently projecting an underspend of £174k. This budget had been increased in the past as numbers had risen significantly, however currently numbers are much lower, resulting in this underspend. There is also a minor underspend on staffing of £8k projected.

#### Safeguarding and Care Planning East - Cr £229k

The budget for care proceedings is currently projected to underspend by £283k, particularly in the area of community and residential parental assessments which account for £206k of this total. Additionally there is a projected salary overspend of £54k.

#### Safeguarding and Care Planning West- Dr £13k

Services for Children with Disabilities is projected to overspend by £67k this year. This is made up of an overspend of £280k in relation to Direct Payments and Care Initiatives, offset by an underspend of £155k on group based short breaks and £58k on transport costs.

A change in the provision of the short/respite breaks service at Hollybank has also realised a saving of £112k. Additionally there is a projected salary overspend of £58k.

#### Safeguarding and Quality Improvement - Dr £126k

The projected variation of £126k overspend in this area relates solely to staffing.

#### Management Action

Officers have discussed ways to mitigate this overspend and had agreed on management action plans totalling £480k at May budget monitoring. This has been revised to £200k for the remainder of the year as there has been limited success so far. These will continue to be closely monitored during the year to ensure that any non-achievement is highlighted as early as possible.

### **8. 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 has been one waiver in the Education area with an annual value of less than £30k. In Children's Social Care there were 8 waivers agreed for placements of between £50k and £100k and 10 for more than £100k.

### **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 in Education for £35k and relates to the correction of the budget for a contract.

## Environment &amp; Community Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	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 &amp; COMMUNITY PORTFOLIO</b>							
	<b>Street Scene &amp; Green Spaces</b>							
5,071	Parks and Green Spaces	5,231	5,367	5,365	Cr 2		0	0
243	Street Regulation and Enforcement incl markets	352	352	362	10		0	0
16,930	Waste Services	18,120	17,744	17,666	Cr 78	1	Cr 11	0
4,103	Street Environment	4,414	4,414	4,414	0		0	0
907	Management and Contract Support	1,085	1,245	1,207	Cr 38	2	0	0
801	Trees	749	749	749	0		0	0
<b>28,055</b>		<b>29,951</b>	<b>29,871</b>	<b>29,763</b>	<b>Cr 108</b>		<b>Cr 11</b>	<b>0</b>
	<b>Transport Operations and Depot</b>							
706	Transport Operations and Depot Management	701	707	707	0		0	0
<b>706</b>		<b>701</b>	<b>707</b>	<b>707</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>Transport &amp; Highways</b>							
286	Traffic & Road Safety	324	324	332	8		0	0
Cr 7,893	Parking	Cr 7,119	Cr 7,419	Cr 7,419	0	3 - 6	Cr 3	300
6,589	Highways (including London Permit Scheme)	6,689	6,520	6,479	Cr 41	7	0	0
<b>Cr 1,018</b>		<b>Cr 106</b>	<b>Cr 575</b>	<b>Cr 608</b>	<b>Cr 33</b>		<b>Cr 3</b>	<b>300</b>
<b>27,743</b>	<b>TOTAL CONTROLLABLE</b>	<b>30,546</b>	<b>30,003</b>	<b>29,862</b>	<b>Cr 141</b>		<b>Cr 14</b>	<b>300</b>
6,601	<b>TOTAL NON-CONTROLLABLE</b>	6,195	6,240	6,267	27	8	15	0
2,323	<b>TOTAL EXCLUDED RECHARGES</b>	2,540	2,460	2,460	0		0	0
<b>36,667</b>	<b>PORTFOLIO TOTAL</b>	<b>39,281</b>	<b>38,703</b>	<b>38,589</b>	<b>Cr 114</b>		<b>1</b>	<b>300</b>

Reconciliation of Latest Approved Budget £'000

Original Budget 2018/19 39,281

## Carry Forward Requests approved from 2017/18

Green Garden Waste Direct Debits	120
Highway Pothole Grant 2017/18 - Income	Cr 113
Highway Pothole Grant 2017/18 - Expenditure	113
Management and Contract Support	80
Parks Infrastructure works	80

## Central Contingency Adjustments

Waste Disposal	Cr 490
Parking - Bus lane contraventions	Cr 300
PYE savings relating to award of Highways maintenance contract	Cr 169
Highway Pothole Grant 2018/19 - Income	Cr 113
Highway Pothole Grant 2018/19 - Expenditure	113

## Other

Inflation adjustment	56
R&M - Fire Risk Assessments & Cyclical Maintenance	45

Latest Approved Budget for 2018/19

38,703

## **REASONS FOR VARIATIONS**

### **1. Waste Services Cr £78k**

The budget has been realigned to reflect the full year effect of the reduction in tonnage compared with 2017/18 and one off reduction in tonnage during 2018/19, mainly for household tonnage and green garden waste as a result of the dry weather. In total £490k has been returned to central contingency.

Across the garden waste collection service there is a projected underspend of £122k. This is made up of an underspend of £72k for a lower use of the sixth vehicle during the year than expected and additional income of £70k is expected due to an increase in the number of customers. This is partly offset by £20k for purchases of extra containers.

A net surplus of income of £16k is expected from the sale of recycling materials. This is due to an increase in the market price of textiles and iron, offset by a shortfall in income from paper due to reducing tonnage.

Based on the tonnage received over the weighbridge during April to September, there is a projected reduction in income of £70k from trade waste delivered.

For trade waste collection there is a net projected shortfall of income of £47k, mainly due to a slightly higher customer dropout rate compared to the level expected.

Following agreement of the 2017/18 level of defaults, a credit of £38k was received.

There is a £19k underspend on staffing as a result of part year vacancies.

#### **Summary of overall variations within Waste Services**

	<b>£'000</b>
Green Garden waste service	Cr 122
Surplus income from sale of recycling materials	Cr 16
Shortfall in trade waste delivered income	70
Trade waste collected income	47
Credit for 17/18 Default settled in 18/19	Cr 38
Underspend on Staffing	Cr 19
<b>Total variation for Waste Services</b>	<b>Cr 78</b>

### **EARLY WARNING**

£120k budget was carried forward from 2017/18 for the development of a direct debit system for the GGW service. The service has awaited the outcome of the Environment Commissioning Programme and will develop a GGW system for the management of customers, with the minimum requirement of having the ability to offer an online direct debit provision for customers and integration with the new service suppliers system(s). It is therefore possible that some of the £120k will need to be carried forward to 2019/20 should any of the works need to be completed in the new year.

### **2. Management and Contract Support Cr £38k**

Part year vacancies have resulted in an underspend of £38k.

### **Parking**

#### **3. Income from Bus Lane Contraventions Cr £257k**

There is a net projected surplus of £257k on the redeployable automated cameras operating in bus lanes for 2018/19 based on numbers of contraventions to 30th September 2018.

#### **4. Off/On Street Car Parking Dr £113k**

Overall there is a net variation of Dr £113k for Off and On Street parking.

A deficit of £129k is forecast for Off & On Street Parking income. This is mainly due to a continued downward trend in parking usage, in particular for the on street bays & multi-storey car parks.

Additional income of £16k is expected to be received from cashless parking fees, as the use of this service continues to grow.

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

	<b>OFF ST</b>	<b>ON ST</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Summary of variations within Off/On Street Car Parking</b>			
Off/On Street Car Parking income	39	90	129
Less additional Ring Go fees	Cr 5	Cr 11	Cr 16
<b>Total variations within Off/On Street Parking</b>	<b>34</b>	<b>79</b>	<b>113</b>

#### **5. Car Parking Enforcement Dr £176k**

From the activity levels up to September 2018, there is a projected net deficit of around £300k from PCNs issued by APCOA in the current year. This is mainly due to a reduction in contraventions, issues related to the deployment plan, policy changes in shared use bays in zone A and a growing number of ad hoc enforcement requests from residents using the online form.

There are defaults on the Enforcement contract costs of around Cr £72k which partly offsets this variation, £40k of which relate to 2017/18.

There is a projected underspend of £30k for credit card commission costs and a £22k underspend on the electronic appeals costs payable to the Traffic Committee.

<b>Summary of variations within Car Parking Enforcement</b>	<b>£'000</b>
PCNs issued by wardens	300
APCOA Enforcement defaults	Cr 72
Credit card commission	Cr 30
Electronic appeals cost	Cr 22
<b>Total variations within Car Parking Enforcement</b>	<b><u>176</u></b>

#### **6. Parking Shared Service Cr £32k**

Part year vacancies have resulted in an underspend of £32k.

<b>Summary of overall variations within Parking:</b>	<b>£'000</b>
Bus Routes Enforcement	Cr 257
Off Street Car Parking	34
On Street Car Parking	79
Car Parking Enforcement	176
Parking Shared Services	Cr 32
<b>Total variation for Parking</b>	<b><u>0</u></b>

#### **7. Highways- Including London Permit Scheme Cr £41k**

Within NRSWA income, there is a projected surplus of income of £41k. This is mainly due to an increase in the number of permits issued as well as income from Section 74 Notices.

#### **8. Non-controllable Dr £27k**

There is a projected shortfall in income of £27k within the property rental income budget. Property division are accountable for these variations.

#### **Waiver of Financial Regulations:**

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

## Public Protection &amp; Enforcement Budget Monitoring Summary

2017/18 Actuals £'000	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
138	<b>Public Protection</b> Community Safety	151	151	139	Cr 12	1	0	0
96	Emergency Planning	115	120	104	Cr 16	2	0	0
447	Mortuary & Coroners Service	485	485	539	54	3	0	0
1,265	Public Protection	1,673	1,722	1,578	Cr 144	4	Cr 85	0
<b>1,946</b>	<b>TOTAL CONTROLLABLE</b>	<b>2,424</b>	<b>2,478</b>	<b>2,360</b>	<b>Cr 118</b>		<b>Cr 85</b>	<b>0</b>
250	<b>TOTAL NON CONTROLLABLE</b>	11	11	11	0		0	0
391	<b>TOTAL EXCLUDED RECHARGES</b>	428	428	428	0		0	0
<b>2,587</b>	<b>PORTFOLIO TOTAL</b>	<b>2,863</b>	<b>2,917</b>	<b>2,799</b>	<b>Cr 118</b>		<b>Cr 85</b>	<b>0</b>

Reconciliation of Latest Approved Budget £'000

Original Budget 2018/19 2,863

**Carry Forward Requests approved from 2017/18**

Asset Recovery Incentivisation Scheme - Income	Cr	48
Asset Recovery Incentivisation Scheme - Expenditure		48
Additional ECS resources - delay in recruitment		67

**Other**

Transfer of Health & Safety post to HR	Cr	13
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Latest Approved Budget for 2018/19 2,917

## **REASONS FOR VARIATIONS**

### **1. Community Safety Cr £12k**

A minor underspend of £12k on staffing across the community safety budgets.

### **2. Emergency Planning Cr £16k**

Within the Emergency Planning service, there is a £16k underspend on staffing due to part year vacancies.

### **3. Mortuary and Coroners Service Dr £54k**

At the end of 2017/18 a provision was made for the outstanding quarter 4 payment for the Coroners service, based on information provided by LB Croydon who administer the Consortium service. The actual cost for quarter 4 was £104k, resulting in a balance of £55k of the provision which is no longer required.

Based on the latest information from Croydon, Officers anticipated an overspend of £84k due to number of large inquests. This includes the additional counsel and legal costs for the Butler case and other potential large cases that will be heard in 2018/19.

Officers are currently negotiating a new Mortuary contract and it is anticipated that there could be a potential overspend of £25k in 18/19 as result of the new contract price. Until the new contract has been agreed with the provider, the full year effect cost cannot be calculated.

<b>Summary of variations within Mortuary and Coroners Service</b>	<b>£'000</b>
Release of provision no longer required on Coroners	Cr 55
Estimated cost of large inquests	84
Additional cost on Mortuary Contact	25
<b>Total variations</b>	<b><u>54</u></b>

### **4. Public Protection Cr £144k**

On 21 May 2018, Members approved a carry forward request of £67k relating to additional resources for the temporary fixed term Food Safety officers and interim PP&E Assistant Director post. Delays with recruiting the final temporary food safety officer has resulted in a further underspend of £22k. In total, £89k will need to be carry forward to 2019/20 and 2020/21 to enable the temporary posts to be funded for the remaining agreed term.

There is a net underspend of £67k on staffing mainly due to part year vacancies which partly offsets the £20k additional cost for Food Safety 'Pay as you go' inspections.

Other minor variations have resulted in a small underspend of £8k.

<b>Summary of variations within Public Protection</b>	<b>£'000</b>
Underspend on fixed term Food Safety officers and interim PP&E AD to be c/f	Cr 89
Underspend on staffing	Cr 67
Food Safety Pay as you go inspections	20
Other minor variations	Cr 8
<b>Total variations</b>	<b><u>Cr 144</u></b>

## **EARLY WARNING**

£48k income and expenditure budget was carried forward from the 2017/18 Proceeds of Crime Act prosecution (Asset Recovery Incentivisation Scheme). £28k of this has been committed and it is likely that Officers will request that the remaining unspent balance of £20k be carried forward to 2019/20 as reported to the PPE PDS on 27 Sep 2018.

### **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:

1) £45k for a 6 months extension on the Coroners Post Mortem & Mortuary Services contract, cumulative value £396k.

### **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 &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	Cr 1	Cr 83	1	Cr 25	0
Cr 140	Land Charges	Cr 126	Cr 126	Cr 129	Cr 3	2	0	0
764	Planning	736	711	837	126	3	Cr 60	0
850	Renewal	801	956	900	Cr 56	4	0	0
<b>1,467</b>		<b>1,493</b>	<b>1,623</b>	<b>1,607</b>	<b>Cr 16</b>		<b>Cr 85</b>	<b>0</b>
	<b>Recreation</b>							
1,686	Culture	1,786	1,828	1,874	46	5	18	0
5,784	Libraries	5,030	5,030	5,020	Cr 10	6	0	0
219	Town Centre Management & Business Support	189	181	158	Cr 23	7	0	0
<b>7,689</b>		<b>7,005</b>	<b>7,039</b>	<b>7,052</b>	<b>13</b>		<b>18</b>	<b>0</b>
	<b>ECS - Housing</b>							
194	Housing Improvement	203	203	191	Cr 12	8	0	0
<b>194</b>		<b>203</b>	<b>203</b>	<b>191</b>	<b>Cr 12</b>		<b>0</b>	<b>0</b>
<b>9,350</b>	<b>Total Controllable ECS DEPT</b>	<b>8,701</b>	<b>8,865</b>	<b>8,850</b>	<b>Cr 15</b>		<b>Cr 67</b>	<b>0</b>
Cr 814	<b>TOTAL NON CONTROLLABLE</b>	2,542	2,521	2,523	2	9	0	0
2,466	<b>TOTAL EXCLUDED RECHARGES</b>	1,857	1,857	1,857	0		0	0
<b>11,002</b>	<b>Total ECS DEPARTMENT</b>	<b>13,100</b>	<b>13,243</b>	<b>13,230</b>	<b>Cr 13</b>		<b>Cr 67</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	10	Cr 74	Cr 94
8,074	Housing Needs	6,241	6,241	7,756	1,515	11	1,582	1,727
0	Housing Needs Drawdown	0	0	Cr 1,477	Cr 1,477	11	Cr 1,597	Cr 995
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>5,233</b>	<b>Cr 36</b>		<b>Cr 89</b>	<b>638</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>9,194</b>	<b>Cr 36</b>		<b>Cr 89</b>	<b>638</b>
<b>22,149</b>	<b>PORTFOLIO TOTAL</b>	<b>22,330</b>	<b>22,473</b>	<b>22,424</b>	<b>Cr 49</b>		<b>Cr 156</b>	<b>638</b>

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2018/19

13,943

Transfer of Housing to Renewal, Recreation & Housing Portfolio  
2018/19 Revised Original Budget

8,387

22,330

## 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 &amp; Projects - Custom Build Grant - Expenditure

30

Planning Strategy &amp; 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

## Other

R&amp;M - Fire Risk Assessments &amp; Cyclical Maintenance

Cr 21

## Latest Approved Budget for 2018/19

22,473

## **REASONS FOR VARIATIONS**

### **1. Building Control Cr £83k**

For the chargeable service, an income deficit of £175k is projected based on actual income for April to September 2018. This is mostly offset by a projected underspend within salaries of £159k arising from reduced hours and part year vacancies. In accordance with Building Account Regulations, the net deficit of around £16k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance will therefore reduce from Cr £203k to Cr £187k.

Within the non-chargeable service, there is a projected net underspend of £83k, this is mainly the result of part year vacancies.

### **2. Land Charges Cr £3k**

Land Charges income for April to September 2018 is down on profiled budget by £26k. This is offset by £15k underspend on staffing due to reduced hours. At this stage a net deficit of £11k is projected for 2018/19. If the income continues to drop, officers will have to consider increasing the current charges. In accordance with current Regulations, any deficit or surplus will be drawn down from the earmarked reserve for the Land Charges Charging Account (the net balance will therefore increase from Dr £10k deficit to Dr £21k).

There is a projected underspend of £3k on the non-chargeable salary budget.

### **3. Planning Dr £126k**

There is a net £77k underspend on staffing due to part year vacancies.

Income from non-major planning applications is below budget for the first six months of the year, and a shortfall of around £60k is projected for 2018/19 against a budget of £1,228k. For information, actual income of £567k was received for April to September 2018 compared with £531k in 2017/18.

For major applications, £197k has been received as at 30th September, which is £95k higher than for the same period in 2017/18, however because the timing of this income varies, a balanced budget is projected for major applications at this stage of the year. This budget will be closely monitored over the next few months.

Currently there is projected deficit income of Dr £15k from discharge of planning conditions and Dr £36k from pre-application meetings. This is due to a combination of reduced fees and reduction in the number of major schemes submitted. During the period April to September 2018, the number of major pre-application submitted has dropped from 23 to 17 compared with previous year.

Additional net income of £17k is projected across other income budgets.

There is a net overspend of £109k for the cost of consultancy work for planning appeals mainly relating to developments at Westmoreland Road, St Hugh's Playing field and Maybrey. This includes advice from agricultural, ecological, minerals and waste consultants, where there is no in-house expertise with the necessary knowledge and qualifications. If the judgements are found in favour of the Council, then some of the costs incurred for these appeals may be recovered.

#### **Summary of variations within Planning:**

	<b>£'000</b>
Underspend on Staffing	Cr 77
Shortfall income from non-major applications	60
Deficit pre-application & discharge of planning condition income	51
Other minor surplus on income	Cr 17
Consultancy cost on major appeals	109
<b>Total variation for Planning</b>	<b><u>126</u></b>

### **4. Renewal Cr £56k**

Overall there is a net variation of Cr £56k projected for Renewal. An underspend of £126k on staffing as a result of part year vacancies is being used to offset a potential £70k cost expected for consultancy and legal fees for the public enquiries, following the submission of the London Plan.

### **5. Culture Dr £46k**

Staffing is expected to overspend by £28k mainly due to extra costs incurred for maternity cover. In line with the December 2017 RPIX, 4.2% inflation was applied to the MyTime contract price, 2.2% higher than the 2% inflation built into the 2018/19 budget. This has resulted in a projected overspend of £18k which is being offset by the underspend from within the Planning Service.

### **6. Libraries Cr £10k**

There is a £45k underspend on staffing due to flexible retirement / reduced hours. This is partly offset by £35k overspend across supplies and services budgets as a result of final payments made relating to serving the notice period on terminating the internet and phone lines.

### **7. Town Centre Management & Business Support Cr £23k**

A part year vacancy within the Town Centre Management Team has led to an underspend of £23k being forecast.

### **8. Housing Improvement Cr £12k**

The underspend of £12k relates to part year vacancies within the team.

### **9.Non-controllable Dr £2k**

There is a projected deficit for income of £2k within the property rental income budget. Property division are accountable for these variations.

### **10. Supporting People Cr £74k**

A £74k underspend is currently forecast in the Supporting People area due to contract negotiation savings.

### **11. Housing Needs Dr £38k**

There is currently an overspend of £1,477k in the Temporary Accommodation area. This is due to higher than expected increase in clients going into nightly paid accommodation together with an increase in the provision for bad debts for rent account income that will not be collected.

As additional budget will be requested to be drawdown from contingency later in the financial 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 on the face of it 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.

The properties owned by LBB and used for placing temporary accommodation clients is currently expected to underspend by £13k.

The Travellers budget is overspending by £61k and this is due to one of the sites experiencing high use of utilities (overspend of £48k) due to the site not having meters and loss of income (overspend of £23k) due to particular residents rent arrears. This is being offset by a £10k underspend on the staffing due to staff vacancies earlier in the year.

The remaining £10k underspend is various staffing and running costs variations. Housing are currently finalising their new staffing structure that is required to meet the new housing legislation. The funding required will be requested for drawdown later in the year.

<b>Summary of overall variations within Housing:</b>	<b>£'000</b>
Temporary Accommodation	1,477
Contingency Drawdown	Cr 1,477
Travellers Sites	61
Housing Needs	Cr 10
LBB Properties	Cr 13
<b>Total variation for Housing</b>	<b><u>38</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, 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, Commissioning &amp; Contracts Management Portfolio Budget Monitoring Summary

2017/18 Actuals £'000		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>CHIEF EXECUTIVE'S DEPARTMENT</b>							
	<b>FINANCIAL SERVICES DIVISION</b>							
208	Director of Finance & Other	216	216	216	0		0	0
6,583	Exchequer - Revenue & Benefits	7,137	7,204	7,110	Cr 94	1	Cr 15	0
1,564	Exchequer - Payments & Income	1,623	1,627	1,626	Cr 1		0	0
623	Financial Accounting	520	520	464	Cr 56	2	Cr 30	0
1,464	Management Accounting	1,666	1,666	1,603	Cr 63	3	Cr 36	0
706	Audit	700	700	687	Cr 13	4	0	0
<b>11,148</b>	<b>Total Financial Services Division</b>	<b>11,862</b>	<b>11,933</b>	<b>11,706</b>	<b>Cr 227</b>		<b>Cr 81</b>	<b>0</b>
	<b>CORPORATE SERVICES DIVISION</b>							
4,545	<b>Information Systems &amp; Telephony</b>	4,746	5,062	4,934	Cr 128	5	0	0
	<b>Legal Services &amp; Democracy</b>							
305	Electoral	353	918	918	0		0	0
1,355	Democratic Services	1,419	1,439	1,416	Cr 23	6	0	0
1,960	Legal Services	1,687	1,802	1,942	140	7	140	140
131	Management and Other (Corporate Services)	178	130	131	1		0	0
<b>8,296</b>	<b>Total Corporate Services Division</b>	<b>8,383</b>	<b>9,351</b>	<b>9,341</b>	<b>Cr 10</b>		<b>140</b>	<b>140</b>
	<b>HR AND CUSTOMER SERVICES DIVISION</b>							
1,828	<b>Human Resources</b>	2,056	2,091	2,091	0		0	0
	<b>Customer Services</b>							
Cr 978	Customer Services Centre	1,022	1,022	1,019	Cr 3		0	0
Cr 108	Registration of Births, Deaths & Marriages	Cr 72	Cr 90	Cr 87	3		0	0
<b>2,698</b>	<b>Total HR &amp; Customer Services Division</b>	<b>3,006</b>	<b>3,023</b>	<b>3,023</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>COMMISSIONING AND PROCUREMENT DIVISION</b>							
670	Procurement and Data Management	663	538	558	20		0	0
820	Commissioning	893	566	546	Cr 20		0	0
101	Debt Management System	0	0	0	0		0	0
<b>1,591</b>	<b>Total Commissioning &amp; Procurement Division</b>	<b>1,556</b>	<b>1,104</b>	<b>1,104</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>CHIEF EXECUTIVE'S DIVISION</b>							
125	Comms	128	128	129	1		0	0
684	Management and Other (C. Exec)	726	750	722	Cr 28	8	0	0
148	Mayoral	153	153	153	0		0	0
<b>957</b>	<b>Total Chief Executive's Division</b>	<b>1,007</b>	<b>1,031</b>	<b>1,004</b>	<b>Cr 27</b>		<b>0</b>	<b>0</b>
	<b>CENTRAL ITEMS</b>							
3,047	CDC & Non Distributed Costs (Past Deficit etc.)	3,907	3,907	3,659	Cr 248	9	0	0
11,197	Concessionary Fares	11,390	11,390	11,390	0		0	0
<b>38,934</b>	<b>TOTAL CONTROLLABLE CE DEPT</b>	<b>41,111</b>	<b>41,739</b>	<b>41,227</b>	<b>Cr 512</b>		<b>59</b>	<b>140</b>
Cr 3,037	<b>TOTAL NON CONTROLLABLE</b>	1,015	1,015	1,015	0		0	0
Cr 15,386	<b>TOTAL EXCLUDED RECHARGES</b>	Cr 16,478	Cr 15,958	Cr 15,958	0		0	0
<b>20,511</b>	<b>TOTAL CE DEPARTMENT</b>	<b>25,648</b>	<b>26,796</b>	<b>26,284</b>	<b>Cr 512</b>		<b>59</b>	<b>140</b>
	<b>ENVIRONMENT &amp; COMMUNITY SERVICES DEPARTMENT</b>							
	<b>Total Facilities Management</b>							
2,581	Admin Buildings & Facilities Support	2,670	2,503	2,515	12		0	0
123	Investment & Non-Operational Property	299	299	261	Cr 38	10	Cr 78	0
1,086	Strategic & Operational Property Services	1,122	1,114	1,114	0		0	0
295	TFM Client Monitoring Team	365	528	510	Cr 18	11	0	0
Cr 688	Other Rental Income - Other Portfolios	Cr 778	Cr 626	Cr 617	9	12	26	0
1,978	Repairs & Maintenance (All LBB)	2,008	2,094	2,094	0		0	0
<b>5,375</b>	<b>TOTAL CONTROLLABLE ECS DEPT</b>	<b>5,686</b>	<b>5,912</b>	<b>5,877</b>	<b>Cr 35</b>		<b>Cr 52</b>	<b>0</b>
Cr 36	<b>TOTAL NON CONTROLLABLE</b>	390	390	390	0		0	0
Cr 3,375	<b>TOTAL EXCLUDED RECHARGES</b>	Cr 3,453	Cr 3,453	Cr 3,453	0		0	0
Cr 1,568	<b>Less: R&amp;M allocated across other Portfolios</b>	Cr 1,388	Cr 1,521	Cr 1,521	0		0	0
688	<b>Less: Rent allocated across other Portfolios</b>	778	626	617	Cr 9		Cr 26	0
<b>1,084</b>	<b>TOTAL ECS DEPARTMENT</b>	<b>2,013</b>	<b>1,954</b>	<b>1,910</b>	<b>Cr 44</b>		<b>Cr 78</b>	<b>0</b>
<b>21,595</b>	<b>TOTAL RESOURCES PORTFOLIO</b>	<b>27,661</b>	<b>28,750</b>	<b>28,194</b>	<b>Cr 556</b>		<b>Cr 19</b>	<b>140</b>

<b>Reconciliation of Latest Approved Budget</b>		<b>£'000</b>
<b>Original budget 2018/19</b>		<b>27,661</b>
<b>Carry Forward Requests approved from 2017/18</b>		
Contract Register database		50
Debt Management System- Transformation Grant - Expenditure		38
Debt Management System- Transformation Grant - Income	Cr	38
Exchequer- Revenue & Benefits Costs for retendering the Exchequer contract		91
Biggin Hill Airport- Noise Action Plan		24
Information Systems & Telephony GDPR		426
Legal Staffing costs GDPR		52
Merit Awards		36
Exchequer- Revenue & Benefits - Upgrade of Academy System		98
Repairs and Maintenance		163
Democratic Services- IT equipment for new Council Members		20
<b>Central Contingency Adjustments</b>		
R&M - Fire Risk Assessments & Cyclical Maintenance	Cr	47
Yeoman House- Expenditure	Cr	94
Cost of Local Elections		565
Exchequer contract saving re services transferred to parking contractor	Cr	60
Apprenticeship Levy	Cr	130
PYE Savings from Registrar's restructure	Cr	18
<b>Other Budget Movements</b>		
Yeoman House rent PYE for ECHS	Cr	80
Moving Admin Officer post to ECHS	Cr	20
Transfer of Health & Safety post from PPE		13
<b>Latest Approved Budget for 2018/19</b>		<b><u>28,750</u></b>

## **REASONS FOR VARIATIONS**

### **FINANCIAL SERVICES DIVISION**

#### **1. Revenue & Benefits Cr £94k**

Within Revenues and Benefits there is a projected underspend of £94k on staffing. This is due to vacancies and posts where staff are working reduced hours. It should be noted that one of the vacancies is proving difficult to recruit to.

#### **2. Financial Accounting Cr £56k**

This variance mainly relates to staff vacancies and other minor running expenses.

#### **3. Management Accounting Cr £63k**

Staffing costs are projected to be £105k below budget due to part year vacancies which have now been filled. This is being offset to some extent by the cessation of part of the previously achieved income relating to the Liberata contract for schools (Dr £42k).

#### **4. Audit Cr £13k**

The net underspend of £13k in audit is a result of a part year vacancy.

#### **5. Information Systems & Telephony Cr £128k**

An underspend of £53k on permanent staffing mainly due to part year vacancies has been partly offset by costs relating to temporary staff and consultancy costs of £42k.

Due to delays in recruiting the temporary GDPR staff, there is an underspend of £117k which will need to be carried forward to 2019/20 to fund the staff up to the agreed 18 months fixed term.

### **CORPORATE SERVICES DIVISION**

#### **6. Democratic Services Cr £23k**

The overall net underspend of £23k is the result of an expected underspend of £40k on Member's allowances partly offset by an overspend of £17k for the purchases of computer and IT related equipment.

#### **7. Legal Services Dr £140k**

Legal Services continue to forecast an adverse variance of £140k relating to the additional legal work relating to childcare cases. The situation is under close scrutiny however it is still estimated that there will be around 70 new childcare cases with a projected overspend of around £140k on Counsel fees & court costs, based on current year expectations and previous year's data. The number of childcare cases, although reducing, still exceeds the average number for previous years (which is around 48 cases).

### **CHIEF EXECUTIVE'S DIVISION**

#### **8. Chief Executive's Division (Management & Other) - Cr £28k**

There is a net £28k underspend within Chief Executive's division. £22k of this relates to staff vacancies which have now been filled, with the remaining £6k mainly due to a lower annual subscription charge from the London Council's Joint Committee.

It should be noted that an invoice of £124k has been raised for the reimbursement of costs incurred on the Biggin Hill Airport Project. As agreed at the June 2016 Executive meeting, the amount will be ring-fenced in an earmarked reserve for any potential future costs for the increased monitoring that will be needed for the revised operating hours of the airport.

### **CENTRAL ITEMS**

#### **9. CDC & Non Distributed Costs Cr £248k**

Early indications are that the number and cost of ill-health retirements and costs arising from the early release of pension on redundancy will be lower than budgeted. It is not possible to accurately forecast the final outturn position at this stage and the position will continue to be closely monitored.

### **ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT**

#### **10. Investment & Non-Operational Property (expenditure) Cr £38k**

The Cr £38k net variance for Investment & Non-Operational Property is made up of a £51k overspend on business rates for the Investment Property portfolio, primarily due to the ongoing business rate liability on the vacant 20 Market Square property. This is offset by an underspend of £89k on Exchequer House where the vacant, listed building no longer accrues business rates.

#### **11. TFM Client Monitoring Team Cr £18k**

The £18k underspend relates to a vacant post which was filled part way through the financial year by an agency worker at a lower cost. This post is expected to be recruited to later in the year.

#### **12. Other Rental Income - Other Portfolios - Dr £9k**

There is a net variation of Dr £9k for rental income across all other portfolios.

#### **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.

## Allocation of Contingency Provision for 2018/19

Item	Original Contingency Provision	Allocations				Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total Allocations/ Projected for Year	
	£	£	£	£	£	£
<b>General</b>						
Provision for Unallocated Inflation	4,284,000	206,000		2,578,000	2,784,000	Cr 1,500,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	3,396,000			3,396,000	3,396,000	0
General Provision for Risk/Uncertainty	2,219,000			1,369,000	1,369,000	Cr 850,000
Operational Building Maintenance & Planned Programme:						
Fire Risk Assessments & Cyclical Maintenance		86,000		0	86,000	(1) 86,000
Yeoman House - Part Year Saving		Cr 44,000			Cr 44,000	Cr 44,000
Provision for Risk/Uncertainty Relating to Volume & Cost Pressures	2,182,000			1,182,000	1,182,000	Cr 1,000,000
Impact of Chancellor's Summer Budget 2015 on Future Costs	1,158,000			1,158,000	1,158,000	0
Homelessness Reduction Act	750,000			750,000	750,000	0
Growth for Waste Services	587,000			587,000	587,000	0
Cost of Local Elections	500,000	400,000	165,000	0	565,000	(2) 65,000
Universal Credit - Claimant Fault Overpayment Recoveries	500,000			500,000	500,000	0
Further Reduction to Government Funding	500,000			0	0	Cr 500,000
Retained Welfare Fund	450,000			450,000	450,000	0
Deprivation of Liberty	118,000			118,000	118,000	0
Planning Appeals - Change in Legislation	60,000			60,000	60,000	0
Other Variations	101,000			101,000	101,000	0
Additional Income Opportunity (Amey)	Cr 500,000			Cr 500,000	Cr 500,000	0
London Pilot Business Rate Pool	Cr 2,900,000			Cr 2,900,000	Cr 2,900,000	0
National Increase in Planning Fees						
- Expenditure		240,000		0	240,000	(1) 240,000
- Income		Cr 240,000		0	Cr 240,000	Cr 240,000
Highways - Pothole Action Fund 2018/19						
- Expenditure		112,940		0	112,940	(1) 112,940
- Income		Cr 112,940		0	Cr 112,940	Cr 112,940
Contribution to Technology Fund - IT Strategy			3,500,000		3,500,000	3,500,000
<b>Items Returned to Central Contingency</b>						
Waste Disposal	Cr 240,000	Cr 240,000	Cr 250,000	0	Cr 490,000	(2) Cr 490,000
Parking - Bus Lane Contraventions	Cr 300,000	Cr 300,000		0	Cr 300,000	(2) Cr 300,000
Apprenticeship Levy	Cr 130,000	Cr 130,000		0	Cr 130,000	(2) Cr 130,000
Liberata Contract (Cash Counting)	Cr 60,000	Cr 60,000		0	Cr 60,000	(2) Cr 60,000
Beckenham and Penge BID	Cr 44,000	Cr 44,000		0	Cr 44,000	(2) Cr 44,000
Highways Maintenance Contract - Part Yr Saving	Cr 169,000	Cr 169,000		0	Cr 169,000	(2) Cr 169,000
Registrar's Service - Part Yr Saving	Cr 18,000	Cr 18,000		0	Cr 18,000	(2) Cr 18,000
	<b>13,405,000</b>	<b>Cr 313,000</b>	<b>3,415,000</b>	<b>8,849,000</b>	<b>11,951,000</b>	<b>Cr 1,454,000</b>
<b>Grants included within Central Contingency Sum</b>						
Adult Social Care						
Grant Related Expenditure	873,000		500,000	373,000	873,000	0
Adult Social Care Support						
Grant Related Expenditure	744,000			744,000	744,000	0
Grant Related Income	Cr 744,000			Cr 744,000	Cr 744,000	0
Tackling Troubled Families						
Grant Related Expenditure	845,000			845,000	845,000	0
Grant related Income	Cr 845,000			Cr 845,000	Cr 845,000	0
SEN Implementation						
Grant Related Expenditure	189,000	189,000		0	189,000	(1) 0
Grant Related Income	Cr 189,000	Cr 189,000		0	Cr 189,000	0
SEND Preparation for Employment						
Grant Related Expenditure	63,000	63,000		0	63,000	(1) 0
Grant Related Income	Cr 63,000	Cr 63,000		0	Cr 63,000	0
SEN Pathfinder Grant 2018/19						
Grant Related Expenditure		27,522		0	27,522	(2) 27,522
Grant Related Income		Cr 27,522		0	Cr 27,522	Cr 27,522
Social Care Investment to ease NHS Winter Pressures						
- Expenditure				1,200,000	1,200,000	1,200,000
- Income				Cr 1,200,000	Cr 1,200,000	Cr 1,200,000
<b>TOTAL CARRIED FORWARD</b>	<b>14,278,000</b>	<b>Cr 313,000</b>	<b>3,915,000</b>	<b>9,222,000</b>	<b>12,824,000</b>	<b>Cr 1,454,000</b>

## Notes:

- (1) Executive 28th March 2018  
(2) Executive 11th July 2018

**Allocation of Contingency Provision for 2018/19 (continued)**

Item	Carried Forward from 2017/18	Allocations				Total Allocations/Projected for Year	Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total		
	£	£	£	£	£	£	
<b>TOTAL BROUGHT FORWARD</b>	<b>14,278,000</b>	<b>Cr 313,000</b>	<b>3,915,000</b>	<b>9,222,000</b>	<b>12,824,000</b>	<b>Cr 1,454,000</b>	
<b>Items Carried Forward from 2017/18</b>							
<b>Adult Care &amp; Health Portfolio</b>							
Social Care Funding via the CCG under S75 Agreements							
Improved Better Care Fund							
- Expenditure	3,171,681	3,171,681	0	0	3,171,681	(4)	0
- Income	Cr 3,171,681	Cr 3,171,681	0	0	Cr 3,171,681		0
Better Care Fund - 2015/16 GoodGym							
- Expenditure	7,500	7,500	0	0	7,500	(4)	0
- Income	Cr 7,500	Cr 7,500	0	0	Cr 7,500		0
Better Care Fund 2017/18							
- Expenditure	28,390	28,390	0	0	28,390	(4)	0
- Income	Cr 28,390	Cr 28,390	0	0	Cr 28,390		0
Public Health							
- Expenditure	1,018,324	1,018,324	0	0	1,018,324	(4)	0
- Income	Cr 1,018,324	Cr 1,018,324	0	0	Cr 1,018,324		0
<b>Resources, Commissioning &amp; Contracts Management Portfolio</b>							
Debt Management System Project - Transformation Grant							
- Expenditure	37,860	37,860	0	0	37,860	(6)	0
- Income	Cr 37,860	Cr 37,860	0	0	Cr 37,860		0
<b>Public Protection &amp; Enforcement Portfolio</b>							
Asset Recovery Incentivisation Scheme (ARIS)							
- Expenditure	48,125	48,125	0	0	48,125	(2)	0
- Income	Cr 48,125	Cr 48,125	0	0	Cr 48,125		0
<b>Renewal, Recreation &amp; Housing Portfolio</b>							
Asset Recovery Incentivisation Scheme (ARIS)							
- Expenditure	84,633	84,633	0	0	84,633	(2)	0
- Income	Cr 84,633	Cr 84,633	0	0	Cr 84,633		0
New Homes Bonus - Town Centre Development							
- Expenditure	36,378	36,378	0	0	36,378	(3)	0
- Income	Cr 36,378	Cr 36,378	0	0	Cr 36,378		0
New Homes Bonus - Regeneration							
- Expenditure	171,260	171,260	0	0	171,260	(3)	0
- Income	Cr 171,260	Cr 171,260	0	0	Cr 171,260		0
Planning Strategy & Projects - Custom Build Grant							
- Expenditure	30,000	30,000	0	0	30,000	(3)	0
- Income	Cr 30,000	Cr 30,000	0	0	Cr 30,000		0
Implementing Welfare Reform Changes							
- Expenditure	54,918	54,918	0	0	54,918	(3)	0
- Income	Cr 54,918	Cr 54,918	0	0	Cr 54,918		0
Flexible Homeless Grant							
- Expenditure	82,600	82,600	0	0	82,600	(3)	0
- Income	Cr 82,600	Cr 82,600	0	0	Cr 82,600		0
2016/17 Fire Safety Grant							
- Expenditure	43,870	43,870	0	0	43,870	(3)	0
- Income	Cr 43,870	Cr 43,870	0	0	Cr 43,870		0
<b>Environment &amp; Community Portfolio</b>							
Highways - Pothole Action Fund							
- Expenditure	112,940	112,940	0	0	112,940	(2)	0
- Income	Cr 112,940	Cr 112,940	0	0	Cr 112,940		0
<b>Education, Children and Families Portfolio</b>							
Delivery Support Fund							
- Expenditure	69,100	69,100	0	0	69,100	(8)	0
- Income	Cr 69,100	Cr 69,100	0	0	Cr 69,100		0
SEND Reform Grant							
- Expenditure	20,013	20,013	0	0	20,013	(8)	0
- Income	Cr 20,013	Cr 20,013	0	0	Cr 20,013		0
School improvement Grant							
- Expenditure	46,500	46,500	0	0	46,500	(8)	0
- Income	Cr 46,500	Cr 46,500	0	0	Cr 46,500		0
Pathfinder Grant							
- Expenditure	16,489	16,489	0	0	16,489	(8)	0
- Income	Cr 16,489	Cr 16,489	0	0	Cr 16,489		0
Early Years Grant							
- Expenditure	14,800	14,800	0	0	14,800	(8)	0
- Income	Cr 14,800	Cr 14,800	0	0	Cr 14,800		0
High Needs Strategic Planning Fund							
- Expenditure	13,019	13,019	0	0	13,019	(8)	0
- Income	Cr 13,019	Cr 13,019	0	0	Cr 13,019		0
Tackling Troubled Families							
- Expenditure	497,885	497,885	0	0	497,885	(8)	0
- Income	Cr 497,885	Cr 497,885	0	0	Cr 497,885		0

Item	Carried Forward from 2017/18	Allocations				Total Allocations/Projected for Year	Variation to Original Contingency Provision
		Previously Approved Items	New Items Requested this Cycle	Items Projected for Remainder of Year	Total		
	£	£	£	£	£	£	£
<b>General</b>							
Short Term Assistance to Day Centres	152,025	152,025	0	0	152,025	(1)	0
R&M - Central Depot Wall	163,000	163,000	0	0	163,000	(2)	0
Democratic Services - Councillor IT Provision	20,000	20,000	0	0	20,000	(2)	0
Contracts Register/Summaries Database	50,000	50,000	0	0	50,000	(6)	0
Biggin Hill Airport - Noise Action Plan	24,315	24,315	0	0	24,315	(6)	0
Information Systems & Telephony GDPR	426,000	426,000	0	0	426,000	(6)	0
Legal Staff Costs GDPR	52,000	52,000	0	0	52,000	(6)	0
Staff Merit Awards	36,000	36,000	0	0	36,000	(6)	0
Exchequer Revenue & Benefits - Exchequer Contract	91,000	91,000	0	0	91,000	(6)	0
Exchequer Revenue & Benefits - Academy System Upgrade	98,000	98,000	0	0	98,000	(6)	0
Green Garden Waste - Debt Management System	120,000	120,000	0	0	120,000	(7)	0
Management and Contract Support	80,000	80,000	0	0	80,000	(7)	0
Parks Infrastructure Works	80,000	80,000	0	0	80,000	(7)	0
Additional ECS Resources - Delay in Recruitment	67,000	67,000	0	0	67,000	(5)	0
<b>Total Carried Forward from 2017/18</b>	<b>1,459,340</b>	<b>1,459,340</b>	<b>0</b>	<b>0</b>	<b>1,459,340</b>		<b>0</b>
<b>GRAND TOTAL</b>	<b>15,737,340</b>	<b>1,146,340</b>	<b>3,915,000</b>	<b>9,222,000</b>	<b>14,283,340</b>		<b>Cr 1,454,000</b>

**Notes:**

- (1) Council 26th February 2018
- (2) Executive 28th March 2018
- (3) Renewal, Recreation & Housing PDS 26th June 2018
- (4) Adult Care & Health PDS 27th June 2018
- (5) Public Protection & Enforcement PDS 3rd July 2018
- (6) Executive, Resources & Contracts PDS 5th July 2018
- (7) Environment & Community Services PDS 10th July 2018
- (8) Education, Children & Families Budget & Performance Monitoring Sub-Committee 18th July 2018

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Housing Needs - Temporary Accommodation	6,241	38	The full year effect of Temporary Accommodation is currently estimated to be £732k (pressure of £1,727k less drawdown of £995k) in 2019/20. 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 2019/20 as has been the case for a number of years.
Assessment and Care Management - Care Placements	22,423	674	The full year impact of the current overspend is estimated at Dr £925k, an increase of £417k from the last reported figure of £508k in May. £885k of this relates to residential and nursing home placements and £40k to domiciliary care / direct payments. This is based on client numbers as at the end of Septmebr. The fye is reduced by management action relating to additional joint funding income from the CCG of an expected £340k, although it should be noted that this target has not yet been achieved for the current financial year.
Learning Disabilities - including Care Placements, Transport and Care Management	33,733	545 (net of planned management action)	The full year effect (FYE) is estimated at a net overspend of £1,007k. This figure is net of planned savings from management action, without which the FYE overspend would be £1,275k. The position reported in May 2018 monitoring was a £177k FYE overspend, net of planned savings, so this is a significant increase. There are many reasons for this but the single largest factor is the high number of new and increased care packages over and above that assumed in the previous forecast. The projections continue to include a number of assumptions so the position is likely to vary as the year progresses. There is nothing factored in to reflect any continuation of the increase in new and increased care packages so the figure may rise further.
Mental Health - Care Placements	6,169	160	Based on current placements and Panel agreements there is a full year overspend of £323k anticipated on Mental Health care packages. Similar to Learning Disabilities above, there has been a number of new and increased care packages since the last forecast but with Mental Health these have been mitigated to a greater extent by other factors (placements ending, attrition, charging income).
Supporting People	1,013	Cr 74	The full year effect of Supporting People is currently estimated to be a credit of £94k. This is a result of the estimated savings from retendering of the contracts that has taken place.
Children's Social Care	34,414	1,996	The overall full year effect of the Children's Social Care overspend is £2,100k, analysed as Residential, Fostering and Adoption Dr £2,352k, Leaving Care services (inc Staying Put and Housing Benefit clients) Dr £520k, No Recourse to Public Funds Cr £174k and Parental Assessments Cr £198k. This assumes that management action of £400k is achieved in 2019/20 and additional funding being negotiated from Bromley CCG of £500k is also received.
Legal Services - Legal / Counsel Fees and Court costs	389	140	The overspend for counsel fees and court costs projected for 2018/19 is due to the continuing high volume of childcare cases which is estimated to be around 70 this year and this level is likely to continue in 2019/20. At this time additional expenditure of around £140k is projected for 2019/20.

**APPENDIX 5**

Description	2018/19 Latest Approved Budget £'000	Variation To 2018/19 Budget £'000	Potential Impact in 2019/20
Adult Education	Cr 525	152	The pressure in the Adult Education area is being caused by the provision of non-fee paying courses as required by the community learning element of the ESFA grant. This requires us to provide provision to support vulnerable communities and any reduction in the priority area risks a reduction in the future allocation of the grant. The full year effect is projected to be £130k.
Parking	Cr 7,419	0	The downward trend in Off and On Street parking income of approximately Dr £129k, and the reductions in number of PCNs issued by wardens Dr £300k is expected to be offset by the income from bus lane enforcement, after assuming a slight drop off in contraventions. At this stage a variance of circa £300k is projected for Parking in 2019/20.
Waste	17,744	Cr 78	The extra income generated from additional customers for the GW service is expected to continue in 2019/20 which will offset the net shortfall of income from the reduction in Trade Waste Collection customers. At this stage no overall variance is projected for Waste in 2019/20. From 1st April 2019, there will be new environment contracts.
Highways	6,520	Cr 41	Following the award of the contract for Major and Minor Highway Maintenance contracts, the overall saving will increase by £4k to £173k in 2019/20 rising to £324k per annum from 2020/21, mainly from Street Lighting efficiency savings as reported to Executive on 20th April 2018. The FYE is already included in the forecast.

**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:

<b>31st March 2018 £000</b>	<b>Service</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers to/(from) Capital £000</b>	<b>Actual as at 30th Sep 2018 £000</b>
					<b><u>Revenue</u></b>
391	Highway Improvement Works	5	255	-	141
18	Road Safety Schemes	-	-	-	18
45	Local Economy & Town Centres	85	-	-	130
87	Parking	3	-	-	90
1,198	Healthcare Services	294	-	-	1,492
10	Community Facilities	-	-	-	10
311	Other	-	-	-	311
<b>2,060</b>		<b>387</b>	<b>255</b>	<b>-</b>	<b>2,192</b>
					<b><u>Capital</u></b>
3,311	Education	575	-	-	3,886
3,104	Housing	1,221	-	-	4,325
-	Local Economy & Town Centres	76	-	-	76
82	Highway Improvement Works	-	-	-	82
86	Other	-	-	-	86
<b>6,583</b>		<b>1,872</b>	<b>0</b>	<b>-</b>	<b>8,455</b>
<b>8,643</b>		<b>2,259</b>	<b>255</b>	<b>0</b>	<b>10,647</b>