

Decision Maker: Public Protection and Enforcement Portfolio Holder

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

Date: 26th June 2019

Decision Type: Non-Urgent Non-Key

Title: PROVISIONAL OUTTURN 2018/19

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Chief Officer: Nigel Davies, Executive Director of Environmental and Community Services

Ward: Boroughwide

1. Reason for report

This report provides the Portfolio Holder with the provisional final outturn position for 2018/19 for the previous Public Protection and Safety Portfolio. This shows an under spend of £246k for 2018/19.

2. **RECOMMENDATION(S)**

The Portfolio Holder is requested to:

- 2.1 Endorse the 2018/19 provisional outturn position for the Public Protection and Enforcement Portfolio.
- 2.2 Approve the drawdown of the carry forward sums from 2018/19, held in the Central Contingency, totalling £163k (net of grant income), as detailed in para 6.9.

Impact on Vulnerable Adults and Children

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

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

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Public Protection & Enforcement Portfolio Budget
 4. Total current budget for this head: £3.256m
 5. Source of funding: Existing revenue budgets 2018/19
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Staff

1. Number of staff (current and additional): 49.7 ftes
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 2002
 2. Call-in: Applicable
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Procurement

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

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

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

3. COMMENTARY

- 3.1 The 2018/19 provisional outturn for the Public Protection and Enforcement Portfolio shows an under spend of £246k against a controllable budget of £2.483m, representing an 11% variation. The detailed variations are shown in Appendix 1 with a summary included in Section 6.
- 3.2 Costs attributable to individual services have been classified as “controllable” and “non-controllable” in Appendix 1. Budget holders have full responsibility for those budgets classified as “controllable” as any variations relate to those factors over which the budget holder has, in general, direct control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as “non-controllable” within services but “controllable” within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations relating to portfolios in considering financial performance. These variations will include the costs related to the recession.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The 2018/19 budget reflects the financial impact of the Council’s strategies and service plans which impact on all of the Council’s customers and users of our services.

5. POLICY IMPLICATIONS

- 5.1 The “Building a Better Bromley” objective of being an Excellent Council refers to the Council’s intention to provide efficient services and to have a financial strategy that focuses on stewardship and sustainability. Delivering Value for Money is one of the Corporate Operating Principles supporting Building a Better Bromley.
- 5.2 The “2018/19 Council Tax” report highlighted the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2018/19 to minimise the risk of compounding financial pressures in future years.
- 5.3 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council’s budgetary control and monitoring arrangements.

6. FINANCIAL IMPLICATIONS

- 6.1 The total variation for the Public Protection and Safety Portfolio at the year-end was an under spend of £246k. Excluding the carry forward net sum of £163k, there was an under spend of £83k. Some of the major variations are summarised below, with more detail included in Appendix 1.
- 6.2 There was an over spend of £104k for the Coroners Service mainly due to one-off costs incurred for some large inquests that were undertaken during the year. This was partly offset by the release of a £55k provision which was no longer required.
- 6.3 There was an under spend of £241k on staffing due to vacancies, £163k of which relates to the delay in recruiting to the three temporary food safety officers. Part of the under spend from permanent staff vacancies was used for £37k ‘Pay as you Go’ food safety inspections.

- 6.4 Additional licensing income of £65k was received mainly from licence fees and Houses in Multiple Occupation.
- 6.5 A provision was made for potential VAT liabilities for Works in default during 2017/18. As some of the cases that relate to a statutory notice are non-Vatable, £25k of the provision was no longer required and has been released.
- 6.6 Other net under spends across the division total £39k which were used to fund additional staff training, mainly for the Advanced Certificate in Investigative Practice (ACIP), to ensure that all investigations are of a consistent high standard.
- 6.7 The table below summarises the main variances: -

Summary of Major Variations	£'000	£'000
Underspend on temporary staffing (c/f request)	Cr 163	
Part year vacancies	Cr 78	
Total underspend on staffing		Cr 241
Overspend on Coroners service from several large inquests		104
Release of balance of a provision no longer required		Cr 55
Additional licensing income		Cr 65
Pay as you Go' food safety inspections		37
Staff training		38
Release of balance of a provision no longer required		Cr 25
Other net underspends across division		Cr 39
		<u>Cr 246</u>

Carry Forward Requests

- 6.8 On 21st May 2019, Executive approved the carry forward of 2018/19 underspends, subject to the funding being allocated to the Central Contingency to be drawn down on the approval of the relevant Portfolio Holder.
- 6.9 The total sum relating to the PPE Portfolio being requested in this report is £247.6k and £84.6k of this sum is funded by government grant providing a net carry forward of £163k. Details are provided in the table below:

2018/19 Carry Forward Sums - Request to Drawdown		£'000
Additional resources for food safety inspections	Due to delays in recruiting to the additional fixed term Food Safety Officer posts, there was an underspend of £163k. This sum is required to be carried forward to 2019/20 and 2020/21, to ensure sufficient budget to meet the cost of the fixed term posts to complete the outstanding inspections.	163.0
Asset Recovery Incentivisation Scheme (ARIS)	The Council was awarded a sum of £144,388 from a Proceeds of Crime Act prosecution as part of the Asset Recovery Incentivisation Scheme to carry out works on asset recovery, crime reduction projects and community projects. Due to the late notification of this funding, on 28th March 2018 Executive agreed to carry forward the unspent balance of £132,758 into 2018/19. £84,633 of this is allocated to Planning Enforcement (RR&H Portfolio) and the remaining balance of £48,125 is allocated to Trading Standards (PPE Portfolio). The works that were undertaken during 2018/19 were funded from underspends elsewhere in the service, enabling the funding to be carried forward for another year. Approval is therefore sought to drawdown the £84,633 relating to Trading Standards for both the income and expenditure budget to 2019/20 be used to carry out works on asset recovery, crime reduction projects and community projects.	84.6
Total Expenditure		247.6
Grant Income		Cr 84.6
Total (net of Grant Income)		163.0

Non-Applicable Sections:	Legal, Procurement and Personnel Implications
Background Documents: (Access via Contact Officer)	2018/19 budget monitoring files within ECS finance section