

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

2018/19 Actuals £'000	Division Service Areas	2019/20 Original Budget £'000	2019/20 Latest Approved £'000	2019/20 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 11	Building Control	88	88	5	Cr 83	1	0	0
Cr 127	Land Charges	Cr 125	Cr 125	Cr 125	0	2	0	0
844	Planning	861	855	911	56	3	0	0
733	Renewal	846	846	778	Cr 68	4	0	0
<b>1,439</b>		<b>1,670</b>	<b>1,664</b>	<b>1,569</b>	<b>Cr 95</b>		<b>0</b>	<b>0</b>
	<b>Recreation</b>							
1,923	Culture	933	978	978	0		0	0
4,859	Libraries	4,921	4,921	4,921	0		0	0
132	Town Centre Management & Business Support	133	156	156	0		0	0
<b>6,914</b>		<b>5,987</b>	<b>6,055</b>	<b>6,055</b>	<b>0</b>		<b>0</b>	<b>0</b>
	<b>ECS - Housing</b>							
188	Housing Improvement	209	209	209	0		0	0
<b>188</b>		<b>209</b>	<b>209</b>	<b>209</b>	<b>0</b>		<b>0</b>	<b>0</b>
<b>8,541</b>	<b>Total Controllable ECS DEPT</b>	<b>7,866</b>	<b>7,928</b>	<b>7,833</b>	<b>Cr 95</b>		<b>0</b>	<b>0</b>
1,421	<b>TOTAL NON CONTROLLABLE</b>	Cr 398	Cr 398	Cr 390	8	5	0	0
1,978	<b>TOTAL EXCLUDED RECHARGES</b>	2,109	2,109	2,109	0		0	0
<b>11,940</b>	<b>Total ECS DEPARTMENT</b>	<b>9,577</b>	<b>9,639</b>	<b>9,552</b>	<b>Cr 87</b>		<b>0</b>	<b>0</b>
	<b>EDUCATION, CARE &amp; HEALTH SERVICES DEPARTMENT</b>							
	<b>Operational Housing</b>							
939	Supporting People	1,004	1,004	888	Cr 116	6	0	0
8,784	Housing Needs	9,059	8,778	8,800	22	7	0	0
0	Enabling Activities	Cr 1	Cr 1	Cr 1	0		0	0
Cr 1,149	Housing Benefits	Cr 1,913	Cr 1,913	Cr 1,913	0		0	0
<b>8,574</b>	<b>Total Controllable ECHS DEPT</b>	<b>8,149</b>	<b>7,868</b>	<b>7,774</b>	<b>Cr 94</b>		<b>0</b>	<b>0</b>
423	<b>TOTAL NON CONTROLLABLE</b>	124	124	124	0		0	0
3,677	<b>TOTAL EXCLUDED RECHARGES</b>	4,174	4,124	4,124	0		0	0
<b>12,674</b>	<b>Total ECHS DEPARTMENT</b>	<b>12,447</b>	<b>12,116</b>	<b>12,022</b>	<b>Cr 94</b>		<b>0</b>	<b>0</b>
<b>24,614</b>	<b>PORTFOLIO TOTAL</b>	<b>22,024</b>	<b>21,755</b>	<b>21,574</b>	<b>Cr 181</b>		<b>0</b>	<b>0</b>

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2019/20

22,024

## Carry Forward Requests approved from 2018/19

Planning Strategy & Projects - Custom Build Grant - Income	Cr	60
Planning Strategy & Projects - Custom Build Grant - Expenditure		60
Asset Recovery Incentivisation Scheme - Income	Cr	85
Asset Recovery Incentivisation Scheme - Expenditure		85
New Homes Bonus		118
Fire Safety Grant - Expenditure		43
Fire Safety Grant - Income	Cr	43
Implementing Welfare Reform Changes - Expenditure		55
Implementing Welfare Reform Changes - Income	Cr	55
Flexible Homeless Grant - Expenditure		41
Flexible Homeless Grant - Income	Cr	41
Homelessness Reduction Act - Expenditure		89
Homelessness Reduction Act - Income	Cr	89

## Central Contingency Adjustments

Savings - review of staffing	Cr	56
Housing Growth - variation to budget assumptions	Cr	331

## Latest Approved Budget for 2019/20

21,755

## **REASONS FOR VARIATIONS**

### **1. Building Control Cr £83k**

For the chargeable service, an income deficit of £278k is projected based on actual income for April 2019. This is expected to be offset by a projected underspend within salaries of £146k arising from reduced hours working / vacancies. In order to have a balanced budget, a review will be done this year to closely realign the income and staffing budget levels. To address the income deficit, a price increase is expected to be implemented in December. In accordance with Building Account Regulations, the net deficit of around £132k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance will therefore reduce from Cr £192k to Cr £60k.

As a result of part vacant posts and reduced hours, a net underspend of £83k is projected for the non-chargeable service.

### **2. Land Charges**

A deficit of £17k is expected for income within the Charging Account which is offset by £17k underspend on staffing due to reduced hours. Overall, no variation is projected for 2019/20 at this stage. In accordance with Local Authorities (Charges for Property Searches) Regulations 2008, any deficit or surplus will be drawn down from the earmarked reserve for the Land Charges Charging Account, which has a balance of Dr £26k as at March 19.

### **3. Planning Dr £56k**

There is a net £95k underspend on staffing due to part year vacancies.

Income from non-major planning applications is below budget for the first two months of the year, and a shortfall of around £150k is projected for 2019/20 against a budget of £1,179k. This is partly offset by the projected underspend within salaries.

For major applications, £91k has been received as at May 2019, which is £27k lower than for the same period in 2018/19. As 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.

There is also a projected surplus of income of £9k from pre-application meetings.

There is a £50k cost projected for major appeals, mainly due to a partial award of costs that has been awarded against the Council in respect of the refusal of planning permission for the development at Westmoreland Road. There is a sum of £60k held in the central contingency that could be partly drawn down to offset these costs, however at this moment in time, the additional cost is offset by underspends elsewhere within the Planning division, mainly from staff vacancies.

Part of a provision, (£40k), is being released as it is no longer required, relating to the potential payback of Community Infrastructure levy monies.

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

	<b>£'000</b>
Underspend on Staffing	Cr 95
Shortfall income from non-major applications	150
Surplus on pre-application planning income	Cr 9
Cost on major appeal	50
Release of part of provision relating to payback of CIL	Cr 40
<b>Total variation for Planning</b>	<b><u>56</u></b>

### **4. Renewal Cr £68k**

A net underspend of £125k is projected for staffing due to part year vacancies. This is being used to offset a potential cost of £57k for specialist consultancy and legal work relating to both the potential Local Plan appeal and the London Plan.

### **5. Non-controllable Dr £8k**

There is a projected £8k shortfall of income within the property rental income budget. Property division are accountable for these variations.

### **6. Supporting People Cr £116k**

A £116k underspend is currently forecast in the Supporting People area. A number of the contracts were renegotiated and extended recently with a start date in this financial year. This has resulted in the higher underspend than in the previous year. The extensions were only for a few years and the contracts will be starting their re-tendering process during this year.

### **7. Housing Needs Dr £22k**

There is currently a relatively minor overspend of £22k in the Temporary Accommodation area. The sum of £331k has been returned to Central Contingency to reflect the difference in the number of households in nightly paid accommodation at the start of the year compared to what had been assumed in the growth allocated in the 2019/20 budget.

At the start of the year the number of clients in Nightly Paid Accommodation was 907. By the end of May that number had risen to 910 - an increase of 3 during the year. It is currently expected that this will increase to 960 by the end of the financial year (based on an increase of 5 new clients per month), at an average cost of around £6,380 per property per annum. In addition the proportion of 2 bed Temporary Accommodation properties that are required has been increasing, from just under 35% in September to now just over 37.5%.

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.

These client figures exclude other schemes like More Homes Bromley, Orchard & Shipman, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these client numbers have been included there are currently over 1,548 clients in Temporary Accommodation.

#### **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) £308k for a 3 year contract for the Document Management System and Uniform management software with Idox, via the Data and Applications Solutions framework.

#### **Virements Approved to date under Director's Delegated Powers**

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