

GENERAL FUND - PROVISIONAL OUTTURN FOR 2019/20

Portfolio	2019/20 Original Budget £'000	Budget Variations allocated in year # £'000	2019/20 Latest Approved Budget £'000	2019/20 Projected Outturn £'000	Variation £'000	Variation previously reported to Exec 10/07/19 £'000
Adult Care & Health	69,505	Cr 882	68,623	69,226	603	666
Education, Children & Families (incl. Schools' Budget)	44,678	Cr 21	44,657	45,849	1,192	1,323
Environment & Community	31,294	34	31,328	31,257	Cr 71	138
Public Protection & Enforcement	2,447	140	2,587	2,596	9	0
Renewal, Recreation & Housing	16,015	Cr 289	15,726	15,786	60	Cr 189
Resources, Commissioning & Contracts Management	46,040	539	46,579	46,349	Cr 230	146
Total Controllable Budgets	209,979	Cr 479	209,500	211,063	1,563	2,084
Capital, Insurance & Pensions Costs (see note 2)	11,769	0	11,769	11,784	15	0
Non General Fund Recharges	Cr 793	0	Cr 793	Cr 793	0	0
Total Portfolios (see note 1)	220,955	Cr 479	220,476	222,054	1,578	2,084
Central Items:						
Income from Investment Properties	Cr 10,290	0	Cr 10,290	Cr 9,509	781	696
Interest on General Fund Balances	Cr 3,291	0	Cr 3,291	Cr 3,791	Cr 500	0
Total Investment Income	Cr 13,581	0	Cr 13,581	Cr 13,300	281	696
Contingency Provision (see Appendix 4)	11,155	1,387	12,542	9,055	Cr 3,487	Cr 898
Other central items						
Reversal of net Capital Charges (see note 2)	Cr 10,265	0	Cr 10,265	Cr 10,265	0	0
Levies	1,262	0	1,262	1,262	0	0
Total other central items	Cr 9,003	0	Cr 9,003	Cr 9,003	0	0
Total all central items	Cr 11,429	1,387	Cr 10,042	Cr 13,248	Cr 3,206	Cr 202
Bromley's Requirement before balances	209,526	908	210,434	208,806	Cr 1,628	1,882
Carry Forwards from 2018/19 (see note 3)	0	Cr 790	Cr 790	24	814	906
Adjustment to Balances	0	0	0	814	814	Cr 2,788
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	209,526	118	209,644	209,644	0	0
Cr 40,391	0	Cr 40,391	Cr 40,391	0	0	
New Homes Bonus	Cr 2,531	0	Cr 2,531	Cr 2,531	0	0
New Homes Bonus Topslice	0	Cr 118	Cr 118	Cr 118	0	0
Collection Fund Surplus	Cr 6,753	0	Cr 6,753	Cr 6,753	0	0
Bromley's Requirement	159,851	0	159,851	159,851	0	0
GLA Precept	42,124	0	42,124	42,124	0	0
Council Tax Requirement	201,975	0	201,975	201,975	0	0

Budget Variations allocated to portfolios in year consists of:

- | | | |
|---|---------------|------------------|
| 1) Carry forwards from 2018/19 | 790 | (see note 3) |
| 2) Allocations from the central contingency provision | Cr 1,269 | (see Appendix 4) |
| | <u>Cr 479</u> | |

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2019/20 Original Budget £'000	Budget Variations allocated in year # £'000	2019/20 Latest Approved Budget £'000	2019/20 Projected Outturn £'000	Variation £'000	Variation previously reported to Exec 10/07/19
People Department	128,139	Cr 903	127,236	129,031	1,795	1,985
Place Department	66,781	Cr 171	66,610	66,603	Cr 7	0
Chief Executive's Department	26,035	595	26,630	26,420	Cr 210	99
	220,955	Cr 479	220,476	222,054	1,578	2,084

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 2018/19**

Carry forwards from 2018/19 into 2019/20 totalling £906k were approved by Council and the Executive. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2018/19" report.

Comments from the Executive Director of Environment and Community Services

(Environment and Community Services Portfolio)

The Environment and Community Services Portfolio has an overall projected net under spend of £58k for 2019/20. This is made up of a number of projected variations with the main items detailed below:

Within waste there has been a reduction in numbers of both trade and residential waste disposal costs brought about by a decrease in tonnage collected and a net increase in the cost of processing additional recyclates. Income relating to recyclates and trade waste is currently underachieving. This results in an overall net surplus of £100k.

Whilst income from parking charges continues to decline, primarily through the continuing downward trend in parking usage, there has been an uplift in the number of penalty Charge Notices (PCNs) issued against previous periods, partly because the parking contractor, at their expense, has deployed a greater number of Civil Enforcement Officers (CEOs). Overall parking is currently projecting a £184k overspend.

The underspend of £109k in Traffic and Road Safety is mainly due to additional income achieved from road closures following a rise in the number of applications from utility companies undertaking infrastructure works.

Analysis of Risks

– Environment and Community Services Portfolio

The new environment contracts have been in place since April 2019. Any growth in the number of properties will incur additional expenditure, as extra collections are required and additional waste is generated. Any fluctuations on the market prices will affect the income from sales of recyclates income. Another potential risk area is recycling paper income. Wet weather could affect the quality of the paper and therefore may lead to issues arising 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 Trees budget, due to the unpredictable nature of storm damage this is a potential risk area. The actual impact is dependent on the weather and the number of trees affected.

– Public Protection and Enforcement Portfolio

The Public Protection and Enforcement Portfolio has a minor overspend of £9k, although any high profile inquests or a significant increase in the volume of cases could increase cost to the Coroners Service.

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

Overall the variance for the Corporate Services Division is projected to be £17k underspent. However there are two relatively large variances offsetting each other within Legal and Information Systems.

Legal Services is expected to have a net overspend of £208k due to additional counsel fees and court costs relating to caseloads, mainly within children's services, but also due to increased commercial and planning cases. Costs which relate to the local plan have historically been directly funded and if that happened again it would, significantly reduce the overspend on Counsel's fees.

The Information Systems & Telephony variance is an underspend of £159k mostly relating to General Data Protection Regulations (GDPR) staffing and systems purchases which have been delayed. A request will be made to carry forward £90k this variance in order to cover the staffing element of the GDPR work.

Analysis of Risk

The majority of the overspend within Legal Services is due to additional counsel fees and court costs relating to caseloads within children's services, and also increased numbers of commercial and planning cases.

Caseloads in children's services continue at a higher level than has previously. Historically caseloads have 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. In 2018/19, there were approximately 60 cases and a similar number is expected this year. A minimum court fee of £2,025 is payable on each case which means even with an additional 12 cases this will still represent a substantial sum. 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. There has been a high turnover of staff in the team which has also had a major impact on using in-house staff for advocacy, to gradually reduce spend on Counsel.

Comments from the Director of Adult Social Care

Pressure has continued to build, particularly in those services where we are jointly working with health to reduce the number of people delayed in hospital beds. The acute hospital locally has regularly been under extreme pressure requiring discharges to be actioned very quickly. Whilst the overall number of older people receiving support has not increased substantially, the complexity of need has increased, meaning that we are more regularly having to pay an increased fee for care. It should also be noted that a large percentage of this pressure relates to unachieved savings planned in the last budget setting process.

Plans are in place with health to ensure that we can respond appropriately to the increased pressure that we can expect during the winter months. Conversations are taking place with the CCG to agree the further use of the underspend in the BCF to offset these pressures, although it is acknowledged that this is on a one-off basis.

Robust plans are now in place to bring spend back under control, these are monitored on a fortnightly basis through both the Leadership Team and the Transformation Board. Senior managers are taking this issue very seriously and have developed robust plans that are shared with all managers within the system. Further actions have yet to be developed in detail to manage demand into future years.

Work has continued to reduce the reliance on agency staff with an improvement in the percentage of front line staff who are in permanent roles at the front line to 72%. Appointments have been made to the majority of Head of Service posts, with the remaining Head of Service post, for Mental Health, to be appointed to jointly with Oxleas. It is anticipated that this post will be recruited to before Christmas.

Comments from the Director of Housing, Planning and Regeneration

£4,478k of net growth was applied to the housing budget for 2019/20 to reflect the continuing pressures in relation to homelessness and the provision of temporary accommodation. The budget has been adjusted to return £331k of this growth allocation to reflect that nightly paid placement numbers at the beginning of the year were 51 less than predicted due to the increased preventative work and supply of properties through the More Homes Bromley acquisition programme.

Whilst approaches remain high, this ongoing supply of acquired properties and prevention work has continued to slow the rate of growth in nightly paid accommodation placements reducing the average increase from 15 per to 5 per month. This however relies on the supply of acquired properties continuing to come through. This results in a projected £103k overspend on temporary accommodation with a £136k overspend on housing overall.

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 successfully been taken to negate the risk of Government Designation for Special Measures due to Planning performance for the current year. However this is based on the actions identified being implemented to reduce the risk of Government Designation in future years.

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.

The key risks in the Renewal, Recreation and Housing Portfolio continue to be:-

- 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
- iv) Reduced vacant housing association properties coming forward for letting

- Education, Children and Families Portfolio

The Children, Education and Families Portfolio has an overspend of £1,192,000 for the year.

The Education Division has an overspend of £213,000, mainly due to SEN Transport and under collectuion of income from trading services.

There is a current projected overspend in DSG of £877k. This will be added to the £2,495k carried forward from 2018/19. It was agreed that £278k of the brought forward balance could be used to support services in-year. The carry forward figure will need to be adjusted for the Early Year adjustment for 2018/19 of an additional £869k of grant. This gives us an estimated DSG balance of £2,209k at the end of the financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements. The Council are contributing £1.9m of core funding to DSG services in 2019/20 and potentially any underspend could be used to minimise the Council contribution.

In Children's Social Care (CSC) the overspend of £979k is due to the following:-

Staffing within Childrens Social Care (CSC)

This continues to be a major challenge and we are currently standing at around 82% of permanent staff. But this fluctuates . We continue to convert some of our agency workers.We have now appointed permanently to the two remaining Heads of Service posts.

Bromley offers a good package but Local Authorities in and out of London compete with their permanent salaries , in some cases there is a round a £4k to £6K difference between boroughs. In addition as nearby authorities receive poor Ofsted outcomes they increase the salary range to attract skilled and experienced staff.

We continue to recruit ASYE's (Assessed and Supported Year in Employment). The number this year is smaller because there are some service areas where they have a full complement of permanent staff. The front door and safeguarding teams have the highest number of agency staff and it is these areas that we need to be mindful of 'flooding' the system with ASYE's as they are unable to be allocated Child Protection cases which poses the most risk to the authority and children.

In addition as part of our Roadmap to Excellence and the caseload promise ASYE's can only be responsible for a small caseload in this first year and by increasing this cohort of workers the caseloads will increase for those staff who are more experienced.

If the current overspend was to be reduced instantly this would equate to 15 + social work posts being axed and not recruited to for the rest of the financial year and this would equate to 225 children without an allocated social worker.

This would breach the vision and values of the Local Authority (LA) and the assurance given to Ofsted of a caseload and small social work pods. In any event this would likely cause the current solid permanent workforce to leave the authority because whilst we might not be competing on a level playing field with salary we are with the caseload promise, excellent management oversight and training.

Such action would place children at risk – the improvement that any LA makes on its journey from inadequate to good is usually a 3 – 5 year journey. Bromley have exceeded this by turning the authority around within 19 months but we need to be mindful that the remainder of the journey is to ensure that we appoint and then retain good quality staff who can meet the needs of our children.

Placements

We have worked hard to reduce the current placement overspend and this has now reduced to an overspend by £107k this year, a fall from the reported overspend of £439k in May, with management action of £186k potentially reducing this to an underspend of £79k.

This year we have only one young person (YP) in secure and we were able to find the appropriate secure bed which is at much less cost than the 4 young people we had at the last time of reporting – those children who could not be found a bed cost the LA around £8,500 each per week.

We have worked hard to extend some of our experienced foster carers to take our children from expensive step down residential placements. These are some of our most complex children and we have 4 carers who have received intense training and are supported by a psychologist. Currently we have matched one young person who has made the transition – this has saved the LA £214k per year and more importantly means that a young person has the experience and support of a family life. If we can move 3 other young people to similar placements we can triple the savings which significantly reduce the overspend going forward. We currently have 5 potential children to step down.

We have 12 children who will move out of the care system with a care plan of adoption and a further 8 children currently in care proceedings which will result in SGO – the net result of this would mean better outcomes for children but reduce the numbers of CLA and reduce the spend both in terms of actual cost and hidden cost of social worker and Independent Reviewing Officer (IRO) time.

In addition our CLA numbers are reducing with around 62 children moving out of the system by March 2020. Our Staying Together team is working with 40 children in total and these are our teenagers who would be candidates for coming into the care system and qualifying for leaving care services up until 25 years – at the current time of those being worked with we have only accommodated 2 children from this cohort .

We have 22 Unaccompanied Asylum Seeking Children (UASC) who will reach 18 between September and March 2020 - whilst these young people will move from the CLA cohort to leaving care which is not covered by the grant. We know that whilst the Government have increased the funding from £91 to £114 per day for CLA there is a shortfall in the funding for the leaving care cohort. All LA's through various groups are pressurising the Minister to consider this position. These are traumatised young people whose needs do not diminish at 18 and with the Social Work Act we are responsible for their leaving care duty until 25.

Fostering and adoption

We have continued to improve our numbers of foster carers and at the current time we have 25 fostering households being assessed which would equate to 50 carers for our children. This will further reduce our reliance on Independent Foster Agencies (IFA's)

We have established a group of foster carers who will accept emergency placements during out of hours, weekends and will receive children who are in police custody or need immediate protection. The purpose of this group is to prevent children moving to IFA's in the first instance and this in time will reduce the dependency on these providers.

We have been in consultation with the West London Alliance to consider whether we partner with them in regard to our residential, IFA and Independent providers for our Care Leavers – this is an ongoing conversation but from a diagnostic there is a prediction of further savings

Transitions

We have identified 4 young people between now and November who will be reaching 18 and will require a high level of adult care – whilst this reduces the CSC budget this will be a burden on Adult Social Care (ASC).

Children with Disabilities (CWD)

There has been an increase in Direct Payments (DP) - this has increased primarily with 4 families where their children have complex needs and whilst the increase is significant in terms of DP the cost should these children be in residential care would be far greater. However we are scrutinising the way we take contributions from the Bromley Clinical Commissioning Groups (BCCG). We have achieved this well in our placement budget with the BCCG contributing to £1.9m in placements up front.

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

- i) Recruitment and retention of permanent staff/ ability to recruit skilled staff for the posts vacant.
- 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
- iv) Increased complexity of children (SEND).
- v) Impact of Social Work Act 2017 implementation.
- vi) Income from partners reducing.
- vii) Shortage of local school places.
- viii) Increasing High Needs Block expenditure not matched by a commensurate increase in Government Grant
- ix) Continuing impact of 2014 Children and Families Act extending the age range to 25 for Education, Health and Care Plans.

Adult Care and Health Portfolio 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
PEOPLE DEPARTMENT								
Adult Social Care								
23,299	Assessment and Care Management	21,381	21,990	24,181	2,191	1	1,440	2,928
	- Better Care Funding - Discharge to Assess			Cr 850	Cr 850	2	Cr 850	
139	Direct Services	160	160	169	9	3	0	0
103	Quality Assurance & Safeguarding	195	195	195	0		0	0
34,198	Learning Disabilities	35,089	35,089	35,851	762		460	1,201
	- Management action			Cr 150	Cr 150	4	0	Cr 447
6,416	Mental Health	6,554	6,554	7,034	480	5	424	557
Cr 677	Better Care Funding - Protection of Social Care	0	0	Cr 595	Cr 595	6	Cr 470	Cr 464
0	Better Care Funding - Additional Pressures	0	0	Cr 700	Cr 700	7	0	0
Cr 1,190	Winter Pressures Grant	0	0	0	0		0	0
	National Living Wage	1,500	318	0	Cr 318	8	Cr 318	Cr 318
62,288		64,879	64,306	65,135	829		686	3,457
Programmes								
2,316	Programmes Team	2,558	2,607	2,485	Cr 122	9	0	0
932	Information & Early Intervention							
	- Net Expenditure	1,148	1,148	1,116	Cr 32	10	0	0
Cr 932	- Recharge to Better Care Fund (Prot of Soc Care)	Cr 1,148	Cr 1,148	Cr 1,116	32		0	0
Better Care Fund								
22,377	- Expenditure	21,025	23,257	23,257	0		0	0
Cr 22,469	- Income	Cr 21,085	Cr 23,317	Cr 23,317	0	11	0	0
Improved Better Care Fund								
8,548	- Expenditure	8,570	10,971	10,971	0		0	0
Cr 8,548	- Income	Cr 9,070	Cr 11,471	Cr 11,471	0	12	0	0
NHS Support for Social Care								
1,100	- Expenditure	0	0	0	0		0	0
Cr 1,100	- Income	0	0	0	0		0	0
2,224		1,998	2,047	1,925	Cr 122		0	0
Strategy, Performance & Engagement								
355	Learning & Development	382	382	382	0		0	0
2,091	Strategy, Performance & Engagement	2,386	2,029	1,925	Cr 104	13	Cr 20	0
2,446		2,768	2,411	2,307	Cr 104		Cr 20	0
Public Health								
14,764	Public Health	14,180	14,179	14,179	0		0	0
Cr 14,708	Public Health - Grant Income	Cr 14,320	Cr 14,320	Cr 14,320	0		0	0
56		Cr 140	Cr 141	Cr 141	0		0	0
67,014	TOTAL CONTROLLABLE ADULT CARE & HEALTH	69,505	68,623	69,226	603		666	3,457
1,673	TOTAL NON CONTROLLABLE	1,097	1,097	1,097	0		Cr 4	0
2,271	TOTAL EXCLUDED RECHARGES	2,362	2,362	2,362	0		0	0
70,958	TOTAL ADULT CARE & HEALTH PORTFOLIO	72,964	72,082	72,685	603		662	3,457

Reconciliation of Latest Approved Budget

£'000

2019/20 Original Budget

72,964

Carry forwards requests

Better Care Fund

- expenditure 58
- income Cr 58

Improved Better Care Fund

- expenditure 3,967
- income Cr 3,967

Public Health Grant

- expenditure 1,779
- income Cr 1,779

Other:

Business Support posts transferred to Chief Executive's Dept Cr 59
Return of 2018/19 National Living Wage Funding to Contingency Cr 567
Leadership restructure Cr 207
Contributions to creation of Local Offer Development Officer 21
Policy & Projects posts transferred to Chief Executive's Dept Cr 112
Blue Badges 42

Items requested this cycle:

Additional Better Care Fund

- expenditure 659
- income Cr 659

Latest Approved Budget for 2019/20

72,082

1. Assessment and Care Management - Dr £2,191k

The overspend in Assessment and Care Management can be analysed as follows:

	<u>Current</u>
	<u>Variation</u>
	£'000
<u>Physical Support / Sensory Support / Memory & Cognition</u>	
Services for 65 +	
- Placements	1,527
- Domiciliary Care / Direct Payments	<u>2,220</u>
	3,747
Services for 18 - 64	
- Placements	487
- Domiciliary Care / Direct Payments	<u>Cr 114</u>
	373
Other	
- Staffing	Cr 261
- Extra Care Housing	Cr 125
- Day Care	Cr 550
- Community DoLS	Cr 513
- D2A	<u>Cr 480</u>
	<u>1,929</u>
	<u>2,191</u>

The 2019/20 budget includes funding for the full year effect of the 2018/19 overspend, less savings agreed as part of management action to reduce this overspend.

Services for 65+ - Dr £3,747k

Since the last report to Members, numbers in residential, nursing care and shared lives placements have increased and continue to be above the budget provision of 414 places, currently by 41 with an overspend being projected of £1,195k for the year, an increase of £715k. Although the full year effect of the 2018/19 overspend was funded in the 2019/20 budget, this was offset by savings of £561k expected from continuation of the Discharge to Assess (D2A) service. This however has not realised the savings to the extent that were expected, as has previously been reported.

In addition to permanent placements, the numbers in temporary and emergency placements are higher than the budget provision, with a projected overspend of £332k reported in this area.

The overall position on the domiciliary care and direct payments budgets is a projected overspend of £2,220k. Contributing largely to this overspend are the savings that are included in the 2019/20 budget that are not being achieved. Savings from reablement account for £400k, with a further £1,308k to come from D2A. As mentioned above the savings from D2A have not been realised as expected, leading to a substantial projected overspend on the budget. Part of the overspend relates to having to use domiciliary care providers outside of the Framework for care, which costs more than those within the framework who are not always able to provide care packages.

Services for 18-64+ - Dr £373k

Placements for 18-64 age group are projected to overspend by £276k this year based on current service user numbers which are 9 above the budgeted number of 43, an increase of 2 since May. The main pressure area relates to clients with a primary support reason (PSR) of Physical Support where the actual number of 33 is 8 above the budget provision, accounting for £292k of the overspend.

In addition to permanent placements, the numbers in temporary and emergency placements are higher than the budget provision, with a projected overspend of £211k reported in this area.

The overall position on the domiciliary care and direct payments budgets is an underspend of £114k. Domiciliary care is currently projected to underspend by £147k and direct payments to overspend by £33k.

Staffing - Cr £261k

Growth of £522k was added to the budget in 2019/20 to fund a recruitment and retention package across Adult Social Care. Due to the number of vacant posts, those still covered by agency staff as well as the annual retention payment not taking effect until next year the call on this budget for the current year has not been as high as expected, resulting in a projected underspend.

Extra Care Housing - Cr £125k

Currently all schemes (except Crown Meadow Court) are delivering hours within the minimum allocation, therefore an underspend is currently being projected. Additionally, the funding of step down flats from the winter resilience budget has been doubled this year to £182k further contributing to the underspend.

Day Care Services - Cr £550k

Day Care services continue to show reduced use of the service with low numbers compared to the budget provision. Additionally as mentioned last year contracts with some providers for the provision of transport to their centres ended, with the main transport contracts taking on these clients. This has resulted in a current projected underspend of £550k.

Community DoLS - Cr £513k

Growth of £750k was added to the budget in 2019/20 to fund provision of a Community DoLS service. A large underspend is predicted on this budget as the service has yet to start operating. Currently posts are out to advert, with an assumption that the service will begin in early December.

Discharge to Assess (D2A) - Cr £480k

In July 2019 the Executive agreed to continue the Discharge to Assess (D2A) service for a further year. Staffing costs for the service as well as packages of care provided under the D2A scheme are projected to cost £970k this year against the budget provision of £1,450k, which reflects a part-year effect of a reduction in time spent in the D2A service. Any savings arising from this would show under the appropriate care package heading (ie placements or domiciliary care/direct payments), so are already included in the projections shown above.

2. Better Care Funding - Discharge to Assess - Cr £850k

As referred to in note 1 above, the savings from D2A have not materialised as expected. As agreed by the Executive in July 2019, the net overspend relating to this service is being funded from the Better Care Fund for 2019/20.

3. Direct Care - Dr 9k

The reablement service has had several support worker posts vacant during the year, with some now being filled in the second half of the year. This has resulted in an underspend of £139k. Similarly the Community Assessment and Rehabilitation Team service has seen 4 out of its 6 posts vacant this year, with no current plans to fill them, which has resulted in an underspend of £124k. Both these services are funded by an element of the Better Care Fund (BCF) set aside to protect social care services, therefore the underspend does not remain within the service, but can be offset against the overall department budget as mentioned in note number 6 below.

Additionally there is an overspend on management staffing costs of £9k.

4. Learning Disabilities - Dr 612k

The 2019/20 LD budget includes funding for both the full year effect of the 2018/19 overspend (based on the position at the time the budget was prepared) and 2019/20 anticipated demand-related pressures. Despite this, an overspend of £612k is currently anticipated after allowing for planned management action, and this is largely the result of recent new and increased care packages outpacing expected growth.

The projected overspend has increased by £152k since May 2019 budget monitoring. While some care packages and costs have reduced, a greater number has increased and demand is not currently being contained within budget. The service is facing a number of pressures including increasing numbers of young people from children's services and more clients with highly complex needs.

The delivery of a balanced budget position in 2019/20 was dependent on the successful management of continued demand pressures, rigorous gatekeeping and also delivery of 'tail-end' savings from the 'invest to save' work. The position will continue to be closely scrutinised, with management action taken to mitigate the pressures where possible. The current forecast position assumes £150k is saved as a result of management action (£447k in a full year).

There continues to be an element in the forecast based on future assumptions rather than actual data and this position may change in the second half of the year. To avoid overstating projections a 'probability factor' has been applied to future assumptions to reflect experience in previous years. This is on the basis that there tends to be 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 planned.

There is a projected overspend on LD Care Management staffing of £140k (net). This arises mainly from the use of agency staff covering vacancies and additional staff brought in to undertake review work. With the introduction of the new recruitment and retention package for qualified care staff in Adult Social Care it is hoped that cost pressures arising from agency staff will reduce as the positive impact of the package starts to take effect.

5. Mental Health (MH) - Dr £480k

Similar to Learning Disabilities above, the 2019/20 Mental Health budget includes funding for the full year effect of the 2018/19 overspend based on the position at the time the budget was prepared.

An overspend of £480k is currently anticipated in 2019/20 which is a result of new and increased care packages exceeding clients moving on, either to independent living or less intensive care packages. This is not the usual trend for Mental Health and the expected 'move through' is not currently evident. Clients with increasingly complex, forensic needs are increasing our reliance on expensive placements. If the current pattern continues budget pressures will increase as the year progresses.

6. Better Care Fund (BCF) - Protection of Social Care Cr £595k

A number of local authority adult social care services are funded by an element of the Better Care Fund (BCF) 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 £595k in 2019/20 and this has been used to offset other budget pressures within social care in line with the intentions of the funding.

7. Better Care Fund (BCF) - Additional Pressures Cr £700k

Subject to Executive approval, £700k of BCF underspend carried forward from previous years has been allocated to offset additional cost pressures within Adult Social Care. The use of this funding has been agreed with the CCG.

8. National Living Wage - Cr £318k

An amount of £1,500k was allocated in the 2019/20 budget for the impact of National Living Wage. At present it is projected that £318k of this amount will not be required.

9. Programmes Team - Cr £122k

The projected underspend relates mainly to part-year vacancies across the Programmes teams. The majority of posts are now filled and the current vacancy level is lower than in recent months.

10. Information & Early Intervention - Cr £32k & Dr £32k

There are inflationary savings on several of the contracts funded from the Information & Early Intervention (I&EI) budget. The whole I&EI budget (net) is funded from the element of the Better Care Fund set aside to protect social care services. This £32k underspend will therefore be used to offset other budget pressures within social care in line with the intentions of the funding.

11. Better Care Fund (BCF) - 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.

Initial increases in the Better Care Fund (BCF) were announced as 1.79% which was included in the 2019/20 budget setting process. However in July 2019 NHS England announced that the increase would rise to 5%. The difference is an additional £659k of BCF grant. It is requested that these funds be drawn down in order for them to be utilised against new and existing BCF funded schemes.

12. Improved Better Care Fund (IBCF) - Nil Variation

The total amount of funding in 2019/20 is as follows:

	£'000
2019/20 IBCF allocation - non-recurrent (year 3)	1,677
2019/20 Winter Pressures Grant	1,191
Carry forward from previous years	3,967
	11,471

Of the above amount, £500k is held within the Council's central contingency and the balance is within People Department budgets.

13. Strategy, Performance & Engagement Division - Cr £104k

An underspend of £104k is anticipated on the People Department Strategy, Performance and Engagement Division. This has arisen from part-year vacancies (Cr £84k) and underspends on central departmental running expenses (Cr £20k).

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, 2 waivers for Adult placements have been agreed for between £50k and £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, one virement has been agreed for the funding of a post within Strategy, Performance and Engagement Division.

Education, Children and Families Portfolio Budget Monitoring Summary

2018/19 Actuals	Service Areas	2019/20 Original Budget	2019/20 Latest Approved	2019/20 Projected Outturn	Variation	Notes	Variation Last Reported	Full Year Effect
£'000		£'000	£'000	£'000	£'000		£'000	£'000
	PEOPLE DEPARTMENT							
	Education Division							
Cr 436	Adult Education Centres	Cr 409	Cr 409	Cr 413	Cr 4		0	0
385	Schools and Early Years Commissioning & QA	676	676	676	0		0	0
6,586	SEN and Inclusion	7,829	7,816	7,981	165	1	Cr 155	0
73	Strategic Place Planning	98	98	98	0		0	0
Cr 6	Workforce Development & Governor Services	Cr 30	Cr 30	Cr 34	Cr 4		0	0
430	Access & Inclusion	527	527	583	56	2	0	0
Cr 1,340	Schools Budgets	Cr 1,264	Cr 1,264	Cr 1,264	0	3	0	0
71	Other Strategic Functions	28	18	18	0		0	0
5,763		7,455	7,432	7,645	213		Cr 155	0
	Children's Social Care							
1,418	Bromley Youth Support Programme	1,518	1,518	1,665	147	4	0	0
879	Early Intervention and Family Support	1,156	1,156	1,156	0		0	0
5,706	CLA and Care Leavers	6,165	6,178	6,127	Cr 51		83	50
17,933	Fostering, Adoption and Resources	16,908	16,908	17,015	107		439	660
Cr 800	Management action	0	0	Cr 186	Cr 186		186	Cr 186
3,411	Referral and Assessment Service	3,407	3,407	3,479	72		336	142
2,743	Safeguarding and Care Planning East	2,912	2,912	2,960	48		187	242
4,470	Safeguarding and Care Planning West	4,575	4,575	5,272	697		529	698
2,280	Safeguarding and Quality Improvement	582	571	716	145	90	145	
38,040		37,223	37,225	38,204	979		1,478	1,751
43,803	TOTAL CONTROLLABLE FOR EDUCATION, CHILDREN & FAMILIES	44,678	44,657	45,849	1,192		1,323	1,751
5,332	Total Non-Controllable	1,819	1,819	1,819	0			0
8,391	Total Excluded Recharges	8,678	8,678	8,678	0		0	0
57,526	TOTAL EDUCATION, CHILDREN & FAMILIES PORTFOLIO	55,175	55,154	56,346	1,192		1,323	1,751
	Memorandum Item							
	Sold Services							
Cr 85	Education Psychology Service (RSG Funded)	Cr 116	Cr 116	Cr 9	107	5	105	0
8	Education Welfare Service (RSG Funded)	Cr 29	Cr 29	24	53		0	0
Cr 6	Workforce Development (DSG/RSG Funded)	Cr 34	Cr 32	Cr 38	Cr 6		0	0
52	Community Vision Nursery (RSG Funded)	62	62	104	42		0	0
93	Blenheim Nursery (RSG Funded)	86	86	97	11		0	0
62	Total Sold Services	Cr 31	Cr 29	178	207		105	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2019/20

55,175

Carry forwards:

SEN Reforms Grant		
- expenditure		55
- income	Cr	55
SEN Pathfinder Grant		
- expenditure		8
- income	Cr	8
Early Years Grant		
- expenditure		15
- income	Cr	15
Delivery Support Fund		
- expenditure		27
- income	Cr	27
Step up to Social Work Cohort 6		
- expenditure		48,000
- income	Cr	48,000
Reducing Parental Conflict		
- expenditure		40,100
- income	Cr	40,100
FGM Focussed Outreach Grant		
- expenditure		10,135
- income	Cr	10,135
Tackling Troubled Families		
- expenditure		510,768
- income	Cr	510,768

Other:

Contributions to creation of Local Offer Development Officer	Cr	21
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Latest Approved Budget for 2019/20

55,154

REASONS FOR VARIATIONS

1. Special Education Needs (SEN) and Inclusion - Dr £165k

It is currently forecasted that the SEN Transport will overspend by £88k. This is split between staffing (£57k under) due to vacant posts in the current structure and extra income (£94k) from service provided to other organisations. There is then an overspend of £239k for providing the transport service.

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 £53k and the Trading Service they offer to the Schools to be overspent by £107k - due to the use of expensive agency staff to provide the service. This is a net Overspend of £54k.

The remaining difference relates to staffing in this area that is currently forecasting an overspend of £23k.

2. Access & Inclusion - Dr £56k

The Education Welfare Service Trading Account is currently expected to under collect on its income by £52k due to the loss of a number of school contracts.

The remaining difference relates to staffing in this area that is currently forecasting an overspend by £4k.

3. 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 £877k. This will be added to the £2,495k carried forward from 2018/19. It was agreed that £278k of the brought forward balance could be used to support services in-year. The carry forward figure will need to be adjusted for the Early Year adjustment for 2018/19 of an additional £869k of grant. This gives us an estimated DSG balance of £2,209k at the end of the financial year. It should be noted that the DSG can fluctuate due to pupils requiring additional services or being placed in expensive placements. The Council are contributing £1.9m of core funding to DSG services in 2019/20 and potentially any underspend could be used to minimise the Council contribution.

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

£265k on modular classroom rentals during the year.

The budget for the 2 year old children is expected to overspend by £140k and this is being offset by an underspend for 3 & 4 years old children (both standard 15 and the additional 15 hours) of £449k. Additionally there is a £13k overspend on the staffing budget that supports this area. This is resulting in a net underspend of £296k.

There is an underspend of £24k 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 £100k on agency due to demand led pressures in the service. This is likely to continue to be an issue in future years.

The Education Welfare service is currently forecasting an underspend of £36k due to higher than expected income collection.

There is currently an expected overspend on High Needs Place and Top Up Funding of £210k. This is based on an overspend of £103k for Place Funding, £95k for Top Up Funding and £12k for Nursery Funding.

Following changes to the 6th Form Grant Allocation for the 2019/20 academic year there is a pressure of £373k on this budget.

During the year there are adjustments to the DSG, mainly due to updated recoupment figures for the year. These are mostly around High Needs Recoupment. The net effect of these changes has been an increase in the High Needs allocation of approximately £115k.

SEN placements are projected to underspend by a total of £234k. The underspend is being caused by the Independent Schools (£336k), Out of Borough Primary Schools (£201k) and Out of Borough Secondary Schools (£607k). These underspends are then offset with overspends on Out of Borough Special Schools (£762k) and Alternative Provisions (£148k).

Additional to the SEN Placements there is a £587k overspend on the Matrix Funding to mainstream schools.

The DSG funded element of SEN Transport is projected to overspend by £115k due to new routes that were established in the last year. This forecast may change once the routes for the new academic year have been finalised. Due to the current funding regulations LBB are not permitted to increase this budget from the previous year.

There is an underspend of £42k in the High Needs Pre-School Service due to staffing.

The Sensory Support Service and Darrick Wood Hearing Units are underspent by £25k, mainly due to staffing.

The SIPS and Outreach & Inclusion Services and Complex Needs Team 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. This is offset by similar overspends in the Pupil Support Service. The net effect of these cost centres is a £30k underspend.

There is also a total small balance of overspends of £29k.

	£'000	£'000	£'000	£'000	£'000	£'000
Classroom Hire		265	0	265	0	0
Free Early Education - 2 year olds		140	0	0	140	0
Free Early Education - 3 & 4 year olds (Inc. extra)		-449	0	0	-449	0
Early Year Support		13	0	0	13	0
Primary Support Team		-24	0	0	0	-24
Home & Hospital		100	100	0	0	0
Education Welfare Officers		-36	0	0	0	-36
High Needs Place Funding		210	210	0	0	0
6th Form Grant Allocation Changes		373	373	0	0	0
Recoupment and Other Expected DSG Allocatio		-115	-115	0	0	0
Other Small Balances		4	-7	3	0	8
SEN:						
- Placements		-234	-234	0	0	0
- Matrix Funding		587	587	0	0	0
- Transport		115	115	0	0	0
- High Needs Pre-school Service		-42	-42	0	0	0
- Darrick Wood Hearing Unit		-25	-25	0	0	0
- SIPS		-32	0	0	-32	0
- Pupil Support Services		12	12	0	0	0
- Complex Needs Team		-23	-23	0	0	0
- Outreach & Inclusion Service		13	13	0	0	0
- Other Small SEN Balances		25	-4	0	0	29
Total		877	960	268	-328	-23

There will continue to be pressures in the DSG from 2020/21 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 was put forward to DfE for 2019/20 and this was rejected and therefore additional Council resources of £1.9m have contributed to the High Needs Block.

4. Children's Social Care - Dr £979k

The current budget variation for the Children and Families Division is projected to be an overspend of £979k. This is a reduction of £499k in the overspend reported in May which was £1,478k, and is based on current levels of spending. Despite additional funding being secured in the 2019/20 budget, continued increases in the number of children being looked after together with the high cost of some placements has continued to put considerable strain on the budget.

Bromley Youth Support Programme - Dr £147k

This variation relates to the Business Partnership budget for income, with income from other departments and schools significantly below the budget.

CLA and Care Leavers - Cr £51k

The projected underspend in this area relates to an overspend of £50k on staffing costs, arising as a result of the use of more expensive agency staff. Offsetting this are underspends on accommodation costs in relation to the Staying Put scheme of £24k, CLA costs of £60k and accommodation and support costs and related housing benefit income of the 18+ age group of £17k.

Fostering, Adoption and Resources - Cr £79k (net of management action)

The budget for children's placements is currently projected to overspend by £107k this year, a fall from the reported overspend of £439k in May, with management action of £186k reducing this to an underspend of £79k. The analysis of this over the various placement types is shown below, with the May position shown in brackets.

- Community Home's / Community Home's with Education - Cr £744k (Cr £3k)
- Boarding Schools - Dr £47k (Cr £153k)
- Placement Support services - Dr £149k (Dr £163k)
- Secure Accommodation - Cr £348k (£0k)
- Youth on Remand - Cr £146k (£0k)
- Fostering services (IFA's) - Dr £1,357k (Dr £561k)
- Fostering services (In-house, including SGO's and Kinship) - Cr £206k (Cr £160k)
- Adoption placements - Cr £2k (Dr £31k)

The projections include an estimation of further costs for the year of children coming into care. Also included in the variations above are (1) Bromley CCG have continued to contribute £1m this year towards the continuing care costs of placements and have committed to a further £900k in 2019/20. (2) additional funding for Unaccompanied Asylum Seeking Children due to the 2019-20 change in daily allowance from £91 to £114/day. this equates to an additional £8,400 per annum for each UASC child, assuming they are in all the financial year.

The main pressure area continues to be the number of placements being made into Independent Fostering agencies (IFA) which on average cost £20k more than an in-house fostering placement.

Management action of £186k is also included further reducing the projected spend, this relates to moving placements from residential care settings to in-house fostering. This target was originally £400k and £214k of this has already been achieved.

Referral and Assessment Service - Dr £72k

The projected overspend in this area relates to staffing costs , which are £142k overspent as a result of the use of agency staff. This is offset by an underspend on the No Recourse to Public Funds budget of £70k, with actual numbers continuing to remain under budget.

Safeguarding and Care Planning East - Dr £48k

The projected overspend in this area relates to staffing costs , which are £242k overspent as a result of the use of agency staff. This is offset by an underspend on Public Law Outline costs which is projected to underspend by £194k, as the call on this budget has reduced.

Safeguarding and Care Planning West- Dr £697k

Of the projected overspend in this area, £148k relates to staffing costs and arises as a result of the use of agency staff which cost more than a permanent member of staff. There is a £549k projected overspend in direct payments for children with disabilities, with several high cost packages of care being paid. This is an increase on the projections in May.

Safeguarding and Quality Improvement - Dr £145k

The projected overspend in this area relates to staffing costs and arises as a result of the use of agency staff which cost more than a permanent member of staff.

5. 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 7 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 no virements

Environment & Community Portfolio Budget Monitoring Summary

2018/19 Actuals £'000	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
	PLACE DEPARTMENT							
	Street Scene & Green Spaces							
5,328	Parks and Green Spaces	5,441	5,507	5,519	12	1	0	0
368	Business Support and Markets	349	349	321	Cr 28	2	Cr 8	0
17,096	Waste Services	17,833	17,913	17,813	Cr 100	3	Cr 7	0
4,289	Street Environment	5,288	5,647	5,627	Cr 20	4	0	0
1,172	Management and Contract Support	1,255	1,093	1,134	41	5	0	0
802	Trees	769	769	779	10	6	0	0
29,055		30,935	31,278	31,193	Cr 85		Cr 15	0
	Transport Operations and Depot							
527	Transport Operations and Depot Management	746	727	727	0		0	0
527		746	727	727	0		0	0
	Traffic, Parking & Highways							
234	Traffic & Road Safety	334	334	225	Cr 109	7	Cr 40	0
Cr 7,499	Parking	Cr 7,539	Cr 7,539	Cr 7,355	184	8-12	193	0
6,175	Highways (including London Permit Scheme)	6,818	6,528	6,467	Cr 61	13	0	0
Cr 1,090		Cr 387	Cr 677	Cr 663	14		153	0
28,492	TOTAL CONTROLLABLE	31,294	31,328	31,257	Cr 71		138	0
4,378	TOTAL NON-CONTROLLABLE	6,051	6,051	6,066	15	14	13	0
2,618	TOTAL EXCLUDED RECHARGES	2,357	2,357	2,357	0		0	0
35,488	PORTFOLIO TOTAL	39,702	39,736	39,680	Cr 56		151	0

Reconciliation of Latest Approved Budget £'000

Original Budget 2019/20 39,702

Carry Forward Requests approved from 2018/19

Green Garden Waste Direct Debits 120

Central Contingency Adjustments

Inflation adjustment 70

Savings - review of staffing Cr 207

B/R Parks Contract related storage and Premises 25

Savings to be allocated – review of staffing Cr 54

Cross Portfolio movement relating to Review of Staffing 80

Latest Approved Budget for 2019/20

39,736

REASONS FOR VARIATIONS

1. Parks and Green Spaces Dr £12k

Overall there is a projected overspend of £12k for Parks and Green Spaces. This consists of £20k additional licence income and £3k underspend on staffing. Plus additional spend of £11k for temporary Enforcement Officers to cover vacancies.

A VAT discrepancy relating to floral bed sponsorship, backdated to 2016, has recently been corrected resulting in a current year deficit of £24k.

Summary of variations within Parks:

	£'000
Underspend on Staffing	Cr 3
Additional licence income from café at High Elms	Cr 20
Adjustment of VAT for floral bedding sponsorship income	24
Additional charge for temporary Enforcement Officers	11
Total variation for Parks	<u>12</u>

2. Business Support and Markets Cr £28k

Income relating to Bromley market pitch fees is forecast to underachieve by approximately £15k. There is a small underspend of £8k against staffing within Street Regulation due to in year vacancies. Income generated through advertising and recoveries will overachieve by a projected £19k in line with 2018/19. Street Licence income is projected to exceed budget by £16k based on invoices raised to date.

Summary of variations within Business Support and Markets:

	£'000
Underachievement of market pitch fees	15
Underspend on staffing	Cr 8
Overachievement of recoveries income	Cr 5
Overachievement of advertising Income	Cr 14
Overachievement of Street Traders' Licences Income	Cr 16
Total variations for Business Support and Markets	<u>Cr 28</u>

3. Waste Services Cr £100k

Based on latest tonnage, the contract disposal cost is expected to be £570k below budget, mainly as a direct result of the reduction in numbers of trade waste customers and a decrease in residential tonnage. This is partly offset by a £243k cost relating to the disposal of extra tonnage of recyclates.

There is an anticipated reduction in recyclate income of £141k. This is a result of a reduction in paper tonnage and a projected loss of income due to a decrease in price indices, particularly effecting paper and card, during the later part of the Financial Year.

Within trade waste collection there is a net projected shortfall of income of £116k mainly due to a higher customer dropout compared to the level expected, mostly for commercial customers. This is partly offset by £20k reduction on the collection contract cost.

There is a small overspend associated with Green Garden Waste. The collection contract will overspend by £29k with overachievement of income of £21k resulting in a net cost of £8k

Summary of overall variations within Waste Services

	£'000
Reduction in disposal cost	Cr 570
Increase in cost of processing additional recyclates	243
Reduction in recyclate income	141
Shortfall in trade waste collection income	116
Reduction in collection contract cost	Cr 20
Green Garden Waste	8
Other minor adjustments	Cr 18
Total variation for Waste Services	<u>Cr 100</u>

4. Street Environment Cr £20k

There is a projected underspend of £20k on staffing relating to part year vacancies.

5. Management and Contract Support Dr £41k

Staffing is projected to overspend due to agency staff employed above establishment to provide contract monitoring support. This is partly offset by other staff vacancies and small underspends on supplies and services.

6. Trees Dr £10k

Expenditure relating to the tree maintenance contract is forecast to overspend by £25k this Financial Year because of a significant backlog of jobs. The current contractor has been given permission to use additional resources to clear these. This is offset by a £55k underspend relating to 'in house' staffing due to two vacant arboricultural officer posts. Consequently annual tree surveys are being procured through outside contractors which will cost approx. £30k and additional post advertisement fees of £10k.

Summary of Overall Variations within Trees

	£'000
Underspend on Staffing	Cr 55
Staff Advertising	10
Additional Tree Maintenance Contract Costs	25
Cost of Tree Surveys	30
	<u>10</u>

7. Traffic & Road Safety Cr £109k

There is a projected underspend of £109k, mainly due to £105k of additional income received from road closure charges following a spike in the number of applications from utility companies to undertake infrastructure work. It is not expected this volume of activity will continue into 2020/21.

Parking

8. Income from Bus Lane Contraventions Dr £46k

There is a projected deficit of £46k on the deployable automated cameras in bus lanes for 2019/20. In part this is due to two periods of closure and diversion in Bromley High Street for streetworks. This closure along with camera issues in Shortlands and road works in Crystal Palace have resulted in a loss of income this Financial Year.

9. Off/On Street Car Parking Dr £260k

A shortfall of £322k is forecast for Off and On Street parking income. This is mainly due to a continued downward trend in parking usage, in particular the off street and multi-storey car parks.

Rental income of £6k is expected for High Street car cleaning services and retail collection lockers located at multi-storey car parks.

Additional income of £48k is projected to be received from cashless parking fees, as use of this service continues to grow.

Income generated from bay suspensions is expected to over-achieve by £7k, however this is partially offset by a deficit in dispensations income of £3k.

There are defaults of £10k against Off and On Street parking to date.

	OFF ST £'000	ON ST £'000	Total £'000
Summary of variations within Off/On Street Car Parking			
Off/On Street Car Parking income	172	150	322
Cashless Parking & Convenience Fees	Cr 16	Cr 32	Cr 48
Bay Suspensions		Cr 7	Cr 7
Dispensations		3	3
Defaults	Cr 3	Cr 7	Cr 10
Total variations within Off/On Street Parking	<u>152</u>	<u>108</u>	<u>260</u>

10. Permit Parking Cr £36k

Current activity levels indicate a potential increase of £36k for permit parking, following the implementation of price increases from 1 April 2019.

11. Car Parking Enforcement Cr £40k

Currently there is a projected overachievement of income of £25k from Penalty Charge Notices (PCNs) issued by Civil Enforcement Officers (CEOs). The contractor has supplied additional CEOs at their own cost following concerns about Q1 PCN numbers. This is partially offset by a £6k deficit on PCNs issued from CCTV enforcement cameras. Officers have identified cameras to be relocated, and 5 new cameras were deployed at schools in September. It is currently too early to predict the effect of these.

There are defaults on the Enforcement contract costs of around Cr £21k.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by CEOs	Cr 25
PCNs issued from CCTV enforcement camera	6
Enforcement defaults	Cr 21
Total variations within Car Parking Enforcement	<u>Cr 40</u>

12. Parking Shared Service Cr £60k

There is an anticipated underspend of £60k relating to the parking shared service mainly due to vacant posts across the two boroughs.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	46
Off Street Car Parking	152
On Street Car Parking	108
Permit Parking	Cr 36
Car Parking Enforcement	Cr 40
Parking Shared Services	Cr 60
Other Minor Expenditure Variations	14
Total variation for Parking	<u>184</u>

13. Highways- Including London Permit Scheme Cr £61k

There is a forecast £39k underspend on staffing, mainly due to reduced hours and part year vacancies.

New Roads and Street Works Act (NRSWA) income is projected to underachieve by £19k. This is made up of a £36k shortfall relating to Defect notices as a result of improved performance by utility companies, offset by a surplus of Section 74 income as utility companies are taking longer than agreed to complete works. Fixed Penalty Notices (FPNs) are anticipated to result in a £8k overspend this Financial Year.

Summary of variations on NRSWA Income:	£'000
Defects	36
Section 74 Notices	Cr 25
Fixed Penalty Notices	8
Total variation for NRSWA	<u>19</u>

There is a total of £18k received from vehicles sold at commercial vehicle auctions. Other small variations produce a £23k underspend, this includes variations within materials and car allowances.

14. Non-controllable Dr £15k

There is a projected £15k shortfall of income 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 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 & Enforcement Budget Monitoring Summary

2018/19 Actuals £'000	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
	PLACE DEPARTMENT							
	Public Protection							
128	Community Safety	155	155	196	41	1	0	0
95	Emergency Planning	154	154	128	Cr 26	2	0	0
534	Mortuary & Coroners Service	566	526	526	0		0	0
1,480	Public Protection	1,572	1,752	1,746	Cr 6	3	0	0
2,237	TOTAL CONTROLLABLE	2,447	2,587	2,596	9		0	0
281	TOTAL NON CONTROLLABLE	13	13	13	0		0	0
492	TOTAL EXCLUDED RECHARGES	871	871	871	0		0	0
3,010	PORTFOLIO TOTAL	3,331	3,471	3,480	9		0	0

Reconciliation of Latest Approved Budget **£'000**

Original Budget 2019/20 **3,331**

Carry Forward Requests approved from 2018/19

Asset Recovery Incentivisation Scheme - Income	Cr	48
Asset Recovery Incentivisation Scheme - Expenditure		48
Additional ECS resources - delay in recruitment		163

Other

Transfer of post from Chief Executive		20
Cross portfolio movement relating to Review of Staffing	Cr	3
Mortuary Contract element returned to Contingency	Cr	40

Latest Approved Budget for 2019/20 **3,471**

REASONS FOR VARIATIONS

1. Community Safety Dr £41k

Expenses are anticipated to overspend by £41k this Financial Year as there is currently a requirement to fund 3 homicide reviews.

2. Emergency Planning Cr £26k

There is a projected £26k underspend relating to staffing due to a 'one off' budget allocation not being utilised this Financial Year.

3. Public Protection Cr £6k

There is a £99k underspend relating to staffing. The Service is currently undergoing a staffing restructure and posts have been kept vacant to facilitate this process. The restructure is anticipated to take effect from September. At which point posts will be recruited to and the budget fully utilised.

A number of bespoke, one off, projects and reviews will be purchased this Financial Year in order to maximise service delivery and to ensure statutory requirements are fully met. The estimated cost of these totals £133k.

These include:

Review outstanding needs of Community safety including relevant software for analytics £20k

Temp to establish risk rating scheme of all licensed premises and carry out inspection of all risk rated Licensed premises A-C approx. £30k

Project to identify unlicensed premises (special treatments etc) borough wide (approx.) £18k

Temp to fix historical issues with Part B process register and permits approx. £20k

Carry out CCTV asset review approx. £5k

Carry CCTV Service review approx. £10k

Housing enforcement project (risk in this area) including metastreet to identify all unlicensed HMOs across the borough, record visits in real time etc £30k

Houses in Multiple Occupation (HMO) License income is forecast to overachieve budget by £40k and it is anticipated that project work to be undertaken will increase achievable 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 the following waiver has been actioned:

1) £45k for a 6 months extension of the Coroners Post Mortem & Mortuary Services contract (April to September 2019), cumulative value £542k.

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 & 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
	PLACE DEPARTMENT							
	Planning							
Cr 11	Building Control	88	88	60	Cr 28	1	Cr 83	0
Cr 127	Land Charges	Cr 125	Cr 125	Cr 125	0		0	0
1,577	Planning	1,707	1,659	1,611	Cr 48	2	Cr 12	0
1,439		1,670	1,622	1,546	Cr 76		Cr 95	0
	Recreation							
1,923	Culture	933	932	932	0		0	0
4,859	Libraries	4,921	4,940	4,940	0		0	0
132	Town Centre Management & Business Support	133	103	103	0		0	0
6,914		5,987	5,975	5,975	0		0	0
	Housing							
939	Supporting People	1,004	1,004	912	Cr 92	3	Cr 116	Cr 116
8,784	Housing Needs	9,059	8,827	9,055	228	4	22	143
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
188	Housing Improvement	209	212	212	0		0	0
8,762		8,358	8,129	8,265	136		Cr 94	27
17,115	TOTAL CONTROLLABLE	16,015	15,726	15,786	60		Cr 189	27
1,844	TOTAL NON CONTROLLABLE	Cr 274	Cr 274	Cr 266	8	5	8	0
5,655	TOTAL EXCLUDED RECHARGES	6,283	6,233	6,233	0		0	0
24,614	PORTFOLIO TOTAL	22,024	21,685	21,753	68		Cr 181	27

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	49
Housing Growth - variation to budget assumptions	Cr	331
Cross Portfolio movement relating to Review of Staffing	Cr	77

Latest Approved Budget for 2019/20

21,685

REASONS FOR VARIATIONS

1. Building Control Cr £28k

The chargeable service currently has a projected income deficit of £212k. This is offset by a projected underspend within salaries of £109k arising from reduced hours / vacancies. To address the income deficit, a price increase is expected to be implemented in November, as fees are currently deemed low compared to other authorities. In accordance with Building Account Regulations, the net deficit of around £103k will be drawn down from the earmarked reserve for the Building Control Charging Account. The net balance of earmarked reserve will therefore reduce from Cr £192k to Cr £89k.

Within the non-chargeable service there is a projected underspend of £28k relating to part year vacancies.

2. Planning Cr £48k

There is a projected £229k underspend on staffing due to part year vacancies. Posts are currently being recruited to.

Income from non-major planning applications is currently below budget and a shortfall of around £150k is projected. The London Plan is due to come into effect in early 2020 and new housing targets will increase. It is anticipated that developers are currently delaying applications in order to increase their chances for approval against the raised targets.

A balanced budget is projected for major applications at this stage of the year. Income is received irregularly during the year and it is therefore difficult to predict the outturn figure at this stage. This budget will be closely monitored over the next few months.

There is projected underachievement of income of £24k from pre-application meetings. Income has dropped compared to earlier months.

Current projections for cost awards on major appeals this Financial Year is approximately £57k. This is offset by previous cost awards which were settled below estimations, resulting in a projected nil variance for the year.

There is an anticipated additional £7k cost relating to spend on legal fees for the Local Plan appeal.

Summary of variations within Planning:	£'000
Underspend on Staffing	Cr 229
Shortfall income from non-major applications	150
Surplus on pre-application planning income	24
Cost on major appeal	0
Consultancy costs on Local and London plan	7
Total variation for Planning	Cr 48

3. Supporting People Cr £92k

A £92k 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.

4. Housing Needs Dr £228k

There is currently a projected overspend of £103k in Temporary Accommodation budgets. This is mostly due to a forecasted under collection of income compared to the budget, mainly as a result of under-occupation at the ex-residential care homes, Bellegrove and Manorfields.

At the start of the year the number of households in Nightly Paid Accommodation was 907. By the end of September that number had risen to 923 - an increase of 16 during the year. It is currently expected that this will increase to 953 by the end of the financial year (based on a net increase of 5 per month), at an average cost of around £6,500 per property per annum. In addition, the proportion of 2 bed Temporary Accommodation properties that are required has been increasing, from just under 37.5% in May to now just over 39.5%.

These figures exclude other schemes like More Homes Bromley, Orchard & Shipman Private Sector Leasing, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these are included there are currently around 1,600 households in Temporary Accommodation.

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 Travellers budget is overspending by £54k and this is due to one of the sites experiencing high use of utilities and maintenance costs (overspend of £32k) due to the site not having meters and loss of income (£22k) due to rent arrears.

The support needed to introduce the new Housing Information System in this financial year is causing a £32k pressure on the budget.

There has been a reduction of income relating to the Choice Based Letting advertising (£26k) due to reduced demand from Housing Associations.

The remaining £13k net overspend relates to minor variations in staffing, recruitment and running costs.

Summary of variations within Housing Needs:	£'000
Temporary Accommodation	103
Travellers Sites	54
Housing Information System	32
Choice Based Letting	26
Other Variations	13
Total variation for Housing Needs	<u>228</u>

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.

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.

Resources, Commissioning & Contracts Management Portfolio Budget Monitoring Summary

2018/19 Actuals £'000		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
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
224	Director of Finance & Other	236	236	236	0		0	0
6,462	Exchequer - Revenue & Benefits	6,778	6,872	6,868	Cr 4		Cr 13	0
1,867	Exchequer - Payments & Income	1,990	1,995	2,003	8		0	0
407	Financial Accounting	536	536	513	Cr 23	1	Cr 12	0
1,528	Management Accounting	1,633	1,549	1,465	Cr 84	2	Cr 22	0
642	Audit	678	732	726	Cr 6		0	0
11,130	Total Financial Services Division	11,851	11,920	11,811	Cr 109		Cr 47	0
	CORPORATE SERVICES DIVISION							
4,809	Information Systems & Telephony	5,410	5,755	5,596	Cr 159	3	Cr 60	0
	Legal Services & Democracy							
933	Electoral	363	363	363	0		0	0
1,406	Democratic Services	1,447	1,447	1,384	Cr 63	4	0	0
2,054	Legal Services	1,889	1,906	2,114	208	5	197	0
127	Management and Other (Corporate Services)	133	141	159	18	6	9	0
	Procurement & Data Management							
568	Procurement & Data Management	477	517	496	Cr 21	7	0	0
9,897	Total Corporate Services Division	9,719	10,129	10,112	Cr 17		146	0
	HR AND CUSTOMER SERVICE DIVISION							
1,836	Human Resources	1,904	2,058	2,052	Cr 6		0	0
	Customer Services							
1,024	Customer Service Centre	1,006	1,006	1,006	0		0	0
Cr 57	Registration of Births, Deaths & Marriages	Cr 106	Cr 106	Cr 133	Cr 27	8	0	0
2,803	Total HR & Customer Services Division	2,804	2,958	2,925	Cr 33		0	0
	COMMISSIONING							
529	Commissioning	479	280	263	Cr 17	9	0	0
529	Total Commissioning	479	280	263	Cr 17		0	0
	CHIEF EXECUTIVE'S DIVISION							
129	Comms	196	196	195	Cr 1		0	0
657	Management and Other (C. Exec)	663	769	741	Cr 28	10	0	0
141	Mayoral	158	163	158	Cr 5		0	0
927	Total Chief Executive's Division	1,017	1,128	1,094	Cr 34		0	0
	CENTRAL ITEMS							
3,461	CDC & Non Distributed Costs (Past Deficit etc.)	3,986	3,986	3,986	0		0	0
11,374	Concessionary Fares	11,409	11,409	11,409	0		0	0
40,121	TOTAL CONTROLLABLE CE DEPT	41,265	41,810	41,600	Cr 210		99	0
Cr 636	TOTAL NON CONTROLLABLE	2,679	2,679	2,679	0		0	0
Cr 16,373	TOTAL EXCLUDED RECHARGES	Cr 17,909	Cr 17,859	Cr 17,859	0		0	0
23,112	TOTAL CE DEPARTMENT	26,035	26,630	26,420	Cr 210		99	0
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
2,247	Admin Buildings & Facilities Support	2,424	2,433	2,425	Cr 8		0	0
604	Investment & Non-Operational Property	217	193	211	18	11	30	0
1,091	Strategic & Operational Property Services	1,137	1,146	1,146	0		0	0
458	TFM Client Monitoring Team	400	400	362	Cr 38	12	0	0
Cr 658	Other Rental Income - Other Portfolios	Cr 1,538	Cr 1,538	Cr 1,530	8	13	17	0
2,094	Repairs & Maintenance (All LBB)	2,135	2,135	2,135	0		0	0
5,836	TOTAL CONTROLLABLE ECS DEPT	4,775	4,769	4,749	Cr 20		47	0
1,385	TOTAL NON CONTROLLABLE	379	379	379	0		0	0
Cr 3,816	TOTAL EXCLUDED RECHARGES	Cr 3,435	Cr 3,435	Cr 3,435	0		0	0
Cr 1,552	Less: R&M allocated across other Portfolios	Cr 1,533	Cr 1,533	Cr 1,533	0		0	0
658	Less: Rent allocated across other Portfolios	1,538	1,538	1,530	Cr 8		Cr 17	0
2,511	TOTAL ECS DEPARTMENT	1,724	1,718	1,690	Cr 28		30	0
25,623	TOTAL RESOURCES PORTFOLIO	27,759	28,348	28,110	Cr 238		129	0

Reconciliation of Latest Approved Budget		£'000
Original budget 2019/20		27,759
Carry Forward Requests approved from 2018/19		
Audit - Blue Badge Investigations		54
IS&T GDPR		311
Merit Awards		24
HR Info System - GDPR		20
Rev & Bens retendering of contract		91
Upgrade of Academy System		98
Central Contingency Adjustments		
Inflation adjustment		52
Savings / Review of Staffing	Cr	284
Rev & Bens retendering of contract no longer required	Cr	91
Inflation adjustment no longer required	Cr	37
Drawdown of Staff Merit Awards		200
Other Budget Movements		
Business Support posts transferred from People department		59
Policy & Projects posts transferred from People department		112
Post transferred to PPE	Cr	20
Latest Approved Budget for 2019/20		<u><u>28,348</u></u>

REASONS FOR VARIATIONS

FINANCIAL SERVICES DIVISION

1. Financial Accounting Cr £23k

There is a £54k projected underspend due to staffing vacancies. Recruitment is underway for these vacant posts. There are also other minor variations in expenditure and income totalling £31k.

2. Management Accounting Cr £84k

Staffing costs are projected to be £133k below budget due to part year vacancies across the teams within this area. Interviews are ongoing with regards to a number of posts and a new Head of Finance is due to start in November following a short gap in this post being held. There is additional expenditure of £49k anticipated in respect of the Financial Systems review.

CORPORATE SERVICES DIVISION

3. Information Systems and Telephony Cr £159k

There is an anticipated underspend of £159k for the year within the Information Management team mostly attributable to staff costs. £90k is due to the further delay in recruiting to the GDPR posts and £27k from part year vacancies plus minor variations within permanent staffing salaries against budget. It is requested that £90k is carried forward at year end in respect of the temporary GDPR posts in order to fund the full 18 month period for each post. There is a £42k underspend against system development costs also related to GDPR due to delays in procuring the required systems.

4. Democratic Services Cr £63k

Staffing costs are projected to be approximately £15k below budget due to a part year vacancy. Interviews are to be held shortly. Members allowances are anticipated to total £46k under budget based on current projections. There is a further £2k underspend across various supplies and services of minor variations.

5. Legal Services Dr £208k

It is estimated that the impact of additional childcare cases plus further property related commercial cases and planning cases in relation to the Local Plan will generate an overspend of around £215k on Counsel fees & court costs. There likely to be minor underspends of £7k across the service.

6. Management and Other (Corporate Services) Dr £18k

There is an anticipated overspend of £18k for the year.

7. Procurement & Data Management Cr £21k

An underspend of £21k is expected within staffing. This is due to staff working reduced hours and other minor variations against budget.

HR AND CUSTOMER SERVICE DIVISION

8. Registration of Births, Deaths & Marriages Cr £27k

Additional staffing costs of £8k are anticipated due to the requirement of casual staff throughout the year. This is expected to be offset by an increased level of income of £35k, achieved as a result of ongoing promotional and marketing activities.

COMMISSIONING

9. Commissioning Cr £17k

There is a £12k underspend in staffing due to part year vacancies and staff maternity leave being taken in the first half of the year. In addition to this there is a £5k underspend on training expenses which is not anticipated to take place in 2019/20.

CHIEF EXECUTIVE'S DIVISION

10. Management and Other (C. Exec) Cr 28k

There is an underspend of £13k due to the London Councils Joint Committee for 2019/20 subscription cost being lower than budgeted.

There is a further £13k underspend in staffing. £9k of this relates to a part year vacancy which has now been filled and other minor variations, £4k relates to leased car costs not incurred in 2019/20.

The long service award rewards employees who have reached 25 years of service. There will be 24 recipients in total for 2019/20 with the cost anticipated to be lower than budgeted, resulting in a £2k underspend.

Summary of variations	£'000
London Councils Joint Committee	Cr 13
Staffing	Cr 13
Long Service Award	<u>Cr 2</u>
Total variation	Cr 28

ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT

TOTAL FACILITIES MANAGEMENT DIVISION

11. Investment & Non-Operational Property (expenditure) Dr £18k

The budget for Surplus Properties is expected to overspend by £28k due to services charges due on vacant properties, including Market Square. This is offset by an anticipated underspend of £10k in various premises costs and other supplies.

12. TFM Client Monitoring Team - Cr £38k

There is a likely underspend of £38k for the TFM monitoring team. This is due to £34k in staffing following a part year vacancy which has now been filled, plus other minor variations. There has also been £4k of energy rebates received.

13. Other Rental Income - Other Portfolios - Dr £8k

There is an overall shortfall of income projected of £8k. This is due to £10k from Bromley BID vacating the Central Library, plus minor shortfalls in Parks, Parking and Depot rental income of £11k being partially offset by an increase in rent of £13k at the Bromley Youth Music Trust following a rent review.

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) Award of contract regarding subscription of the Jadu CXM case management software totalling £212k for a period of 4 years and approve renewal via the G-Cloud 10 Framework, via exemption to competitive tender, of existing annual support arrangements for the associated IT software components of the Council's website.

2) Award of contract for the procurement of the replacement MFD's, via call off from a compliant framework, with Canon for an equipment leasing arrangement for a three year period commencing September 2019 totalling £395k for the full period.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive the following virement was made;

1) £26,200 virement within Human Resources from additional income generated to staffing costs.

Allocation of Contingency Provision for 2019/20

Item	Original Contingency Provision	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				
	£	£	£	£	£		£	
General								
Provision for Unallocated Inflation	3,396,000	121,600	Cr 37,400	1,611,800	1,696,000	(1)	Cr 1,700,000	
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,825,000			1,825,000	1,825,000		0	
General Provision for Risk/Uncertainty	2,431,000			2,431,000	2,431,000		0	
Provision for Risk/Uncertainty Relating to Volume & Cost Pressures	2,182,000			2,182,000	2,182,000		0	
Impact of Chancellor's Summer Budget 2015 on Future Costs	1,158,000			698,000	698,000		Cr 460,000	
Growth for Waste Services	587,000			587,000	587,000		0	
Universal Credit roll out - Claimant Fault Overpayment Recoveries	750,000			750,000	750,000		0	
Further Reduction to Government Funding	389,000			0	0		Cr 389,000	
Retained Welfare Fund	450,000			450,000	450,000		0	
Deprivation of Liberty	118,000			118,000	118,000		0	
Other Variations	109,000		67,000	42,000	109,000		0	
Savings to be allocated - review of staffing	Cr 600,000	Cr 584,390	Cr 216,610	0	Cr 801,000	(1)	Cr 201,000	
Continuation of London Business Rate Pool	Cr 2,200,000			Cr 2,200,000	Cr 2,200,000		0	
Planning Appeals - change in legislation	60,000			60,000	60,000		0	
National Living Wage	0	Cr 567,000		0	Cr 567,000	(1)	Cr 567,000	
Housing Growth - variation to budget assumptions	0	Cr 331,000		0	Cr 331,000	(1)	Cr 331,000	
Mortuary Contract - variation to budget assumptions	0		Cr 40,000	0	Cr 40,000		Cr 40,000	
Staff Merit Awards	0		200,000	0	200,000		200,000	
	10,655,000	Cr 1,360,790	Cr 27,010	8,554,800	7,167,000		Cr 3,488,000	
Grants included within Central Contingency Sum								
Adult Social Care								
Grant Related Expenditure	500,000			500,000	500,000		0	
Better Care Fund								
Expenditure			658,830		658,830		658,830	
Income		Cr 658,830			Cr 658,830		Cr 658,830	
Brexit Preparation								
Grant Related Expenditure	210,000			210,000	210,000		0	
Grant Related Income	Cr 210,000			Cr 210,000	Cr 210,000		0	
Brexit Lead								
Grant Related Expenditure				104,984	104,984		104,984	
Grant Related Income				Cr 104,984	Cr 104,984		Cr 104,984	
Tackling Troubled Families								
Grant Related Expenditure	235,000			235,000	235,000		0	
Grant related Income	Cr 235,000			Cr 235,000	Cr 235,000		0	
TOTAL CARRIED FORWARD	11,155,000	Cr 1,360,790	Cr 27,010	9,054,800	7,667,000		Cr 3,488,000	

Notes:

- (1) Executive 10th July 2019
- (2)
- (3)

Allocation of Contingency Provision for 2019/20 (continued)

Item	Carried Forward from 2018/19	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 BROUGHT FORWARD	11,155,000	Cr 1,360,790	Cr 27,010	9,054,800	7,667,000	Cr 3,488,000	
Items Carried Forward from 2018/19							
Adult Care & Health Portfolio							
Social Care Funding via the CCG under S75 Agreements							
Improved Better Care Fund							
- Expenditure	3,967,290	3,967,290			3,967,290	(1) 0	
- Income	Cr 3,967,290	Cr 3,967,290			Cr 3,967,290	(1) 0	
Better Care Fund 2018/19							
- Expenditure	58,328	58,328			58,328	(1) 0	
- Income	Cr 58,328	Cr 58,328			Cr 58,328	(1) 0	
Public Health							
- Expenditure	1,779,069	1,779,069			1,779,069	(1) 0	
- Income	Cr 1,779,069	Cr 1,779,069			Cr 1,779,069	(1) 0	
Public Protection & Enforcement Portfolio							
Asset Recovery Incentivisation Scheme (ARIS)							
- Expenditure	132,758	132,758			132,758	(2) 0	
- Income	Cr 132,758	Cr 132,758			Cr 132,758	(2) 0	
Renewal, Recreation & Housing Portfolio							
Homelessness Reduction Grant							
- Expenditure	89,000	89,000			89,000	(3) 0	
- Income	Cr 89,000	Cr 89,000			Cr 89,000	(3) 0	
New Homes Bonus - Town Centre Development							
- Expenditure	23,472	23,472			23,472	(3) 0	
- Income	Cr 23,472	Cr 23,472			Cr 23,472	(3) 0	
New Homes Bonus - Regeneration							
- Expenditure	94,416	94,416			94,416	(3) 0	
- Income	Cr 94,416	Cr 94,416			Cr 94,416	(3) 0	
Planning Strategy & Projects - Custom Build Grant							
- Expenditure	60,000	60,000			60,000	(3) 0	
- Income	Cr 60,000	Cr 60,000			Cr 60,000	(3) 0	
Implementing Welfare Reform Changes							
- Expenditure	54,848	54,848			54,848	(3) 0	
- Income	Cr 54,848	Cr 54,848			Cr 54,848	(3) 0	
Flexible Homeless Grant							
- Expenditure	40,945	40,945			40,945	(3) 0	
- Income	Cr 40,945	Cr 40,945			Cr 40,945	(3) 0	
Fire Safety Grant							
- Expenditure	42,654	42,654			42,654	(3) 0	
- Income	Cr 42,654	Cr 42,654			Cr 42,654	(3) 0	
Education, Children and Families Portfolio							
Delivery Support Fund							
- Expenditure	26,774	26,774			26,774	(4) 0	
- Income	Cr 26,774	Cr 26,774			Cr 26,774	(4) 0	
SEND Reform Grant							
- Expenditure	55,405	55,405			55,405	(4) 0	
- Income	Cr 55,405	Cr 55,405			Cr 55,405	(4) 0	
Step up to Social Work Cohort 6							
- Expenditure	48,000	48,000			48,000	(4) 0	
- Income	Cr 48,000	Cr 48,000			Cr 48,000	(4) 0	
Pathfinder Grant							
- Expenditure	8,161	8,161			8,161	(4) 0	
- Income	Cr 8,161	Cr 8,161			Cr 8,161	(4) 0	
Early Years Grant							
- Expenditure	14,800	14,800			14,800	(4) 0	
- Income	Cr 14,800	Cr 14,800			Cr 14,800	(4) 0	
Reducing Parental Conflict							
- Expenditure	40,100	40,100			40,100	(4) 0	
- Income	Cr 40,100	Cr 40,100			Cr 40,100	(4) 0	
FGM Focussed Outreach Grant							
- Expenditure	10,135	10,135			10,135	(4) 0	
- Income	Cr 10,135	Cr 10,135			Cr 10,135	(4) 0	
Tackling Troubled Families							
- Expenditure	510,768	510,768			510,768	(4) 0	
- Income	Cr 510,768	Cr 510,768			Cr 510,768	(4) 0	

Item	Carried Forward from 2018/19	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	
	£	£	£	£	£	£
General						
Audit - Blue Badge Investigations	54,000	54,000			54,000	(5) 0
Biggin Hill Airport - Noise Action Plan	24,310	0		24,310	24,310	0
Information Systems & Telephony GDPR	311,000	311,000			311,000	(5) 0
HR Information System GDPR	20,000	20,000			20,000	(5) 0
Staff Merit Awards	24,257	24,257			24,257	(5) 0
Exchequer Revenue & Benefits - Exchequer Contract	91,000	91,000	Cr 91,000	0	0	(5) Cr 91,000
Exchequer Revenue & Benefits - Academy System Upgrade	98,000	98,000			98,000	(5) 0
Green Garden Waste - Debt Management System	120,000	120,000			120,000	(6) 0
Additional ECS Resources - Delay in Recruitment	163,120	163,120			163,120	(2) 0
Total Carried Forward from 2018/19	905,687	881,377	Cr 91,000	24,310	814,687	Cr 91,000
GRAND TOTAL	12,060,687	Cr 479,413	Cr 118,010	9,079,110	8,481,687	Cr 3,579,000

Notes:

- (1) Adult, Health and Care PDS 27/6/19
- (2) Public Protection & Enforcement PDS 26/6/19
- (3) Renewal, Recreation & Housing PDS 2/7/19
- (4) Education, Children and Families PDS 9/7/19
- (5) Executive, Resources and Contracts PDS 8/7/19
- (6) Environment and Community services PDS 18/6/19

Description	2019/20 Latest Approved Budget £'000	Variation To 2019/20 Budget £'000	Potential Impact in 2020/21
Housing Needs - Temporary Accommodation	8,797	103	The full year effect of Temporary Accommodation is currently estimated to be £143k in 2020/21. 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 forecast growth in 2019/20 has not been adjusted for any mitigation that is currently taking place within Housing to reduce the number of homelessness cases going into TA. 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	22,308	1,753	The full year effect (FYE) of the current overspend is estimated at Dr £2,928k. Of this amount £2,221k relates to residential and nursing home placements and £2,175k to domiciliary care / direct payments. As mentioned in the budget monitoring note's, the savings in the budget relating to the Discharge to Assess service are not being realised, leading to a significant pressure on the budget. This is based on service user numbers as at September 2019. The FYE is reduced by an underspend in day care costs of £550k and Discharge to Assess costs of £600k. The budget allocation for NLW in 2019/20 is underspent with a FYE of £318k.
Learning Disabilities - including Care Placements, Transport and Care Management	35,089	612	The FYE is estimated at a net overspend of £754k. Anticipated 2019/20 growth and pressures from 2018/19 were both fully funded in the 2019/20 budget so this pressure is over and above that. The largest contributory factor is new and increased care packages outpacing anticipated growth. The service is facing a number of pressures including increasing numbers of young people from children's services and more clients with highly complex needs. The position will continue to be closely scrutinised, with management action taken to mitigate the pressures where possible. It is currently anticipated that management action will deliver £447k of cost reductions in a full year and this is reflected in the FYE net overspend of £754k.
Mental Health - Care Placements	6,554	480	There is a full year overspend of £557k anticipated on Mental Health care packages which is a result of new and increased care packages exceeding clients moving on, either to independent living or less intensive care packages. Clients with increasingly complex, forensic needs are increasing our reliance on expensive placements. As with Learning Disabilities above, the position will continue to be closely scrutinised, with management action taken to mitigate the pressures where possible.
Children's Social Care	37,225	979	The overall full year effect of the Children's Social Care overspend is a net £1,751k, analysed as Residential Care, Fostering and Adoption Dr £1,560k, Children with Disabilities direct payments £550k and staffing costs of £727k. Expected income from additional Unaccompanied Asylum Seeking Children funding of £900k and management action of £186k in relation to placements reduces the full year effect of the overspend.
Legal Services - Legal / Counsel Fees and Court costs	356	215	The expected overspend on counsel fees and court costs in 2019/20 is due to the continuing trend of high volume in child care cases, however the numbers are now reducing year on year. There was also a challenge to the local plan plus other planning enquiries coupled with high profile injunction cases and additional commercial cases adding to the overspend. Costs are expected to reduce in future years as the number of child care case numbers stabilise, at this time additional expenditure of around £208k is projected for 2019/20. Specific funding bids may be made for major litigation or projects where internal resource will be insufficient. The costs associated with the Local Plan will not recur until the next consideration/review of the Plan. It is anticipated if volumes of child care cases stay constant and there are good levels of staff retention that figures will start to reduce in 2020/21. It is difficult to predict what pressures will arise around litigation claims and similar which often arise at short notice or as a response to events which are unforeseen at this point in time.
Parking	Cr 7,539	184	The downward trend in Off and On Street parking income and reductions in the number of contraventions issued from bus lanes enforcement is expected to be partly offset by the income from PCNs issued by wardens. Officers continue to work closely with APCOA to resolve deployment issues and maintenance of the pay and display machines.
Supporting People	1,004 Cr	92	The full year effect of Supporting People is currently estimated to be a credit of £116k. This is a result of the estimated savings from retendering of the contracts that has taken place.

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:

31st Mar 2019 £000 Revenue	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 30th September 2019 £000 Revenue
166	Highway Improvement Works	4	22	-	148
-	Road Safety Schemes	-	-	-	-
16	Local Economy & Town Centres	-	7	-	9
72	Parking	-	3	-	69
1,754	Healthcare Services	167	-	-	1,921
43	Community Facilities	-	-	-	43
0	Education	533	-	533	
311	Other	253	-	300	264
2,362		957	32	- 833	2,454
	Capital				Capital
2,751	Education	-	125	533	3,159
3,510	Housing	-	67	-	3,443
2,006	Local Economy & Town Centres	-	-	-	2,006
83	Highway Improvement Works	-	83	-	-
-	Other	-	32	300	268
8,350		0	307	833	8,876
10,712		957	339	0	11,330