

Renewal, Recreation & Housing Budget Monitoring Summary

2019/20 Actuals £'000	Division Service Areas	2020/21 Original Budget £'000	2020/21 Latest Approved £'000	2020/21 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PLACE DEPARTMENT							
	Planning							
Cr 19	Building Control	75	75	12	Cr 63	1	Cr 100	0
Cr 135	Land Charges	Cr 129	Cr 129	Cr 164	Cr 35	2	0	0
1,231	Planning	1,658	1,785	1,638	Cr 147	3	Cr 100	0
1,077		1,604	1,731	1,486	Cr 245		Cr 200	0
	Recreation							
865	Culture	763	890	920	30	4	0	0
4,853	Libraries	4,794	4,784	4,823	39	5	0	0
110	Town Centre Management & Business Support	78	78	73	Cr 5	6	0	0
5,828		5,635	5,752	5,816	64		0	0
	Operational Housing							
888	Supporting People	1,019	1,019	1,019	0		0	0
8,870	Housing Needs	8,366	8,366	8,503	137	7	163	0
0	Enabling Activities	Cr 1	Cr 1	0	1	8	0	0
Cr 1,981	Housing Benefits	Cr 1,941	Cr 1,941	Cr 1,941	0		0	0
179	Housing Improvement	207	207	216	9	9	Cr 5	0
7,956		7,650	7,650	7,797	147		158	0
14,861	Total Controllable	14,889	15,133	15,099	Cr 34		Cr 42	0
12,732	TOTAL NON CONTROLLABLE	Cr 1,212	Cr 1,200	Cr 1,200	0		0	0
6,242	TOTAL EXCLUDED RECHARGES	5,904	5,904	5,904	0		0	0
33,835	TOTAL RR & H PORTFOLIO TOTAL	19,581	19,837	19,803	Cr 34		Cr 42	0

Reconciliation of Latest Approved Budget

£'000

Original budget 2020/21

19,581

Carry Forward Requests approved from 2019/20

Asset Recovery Incentivisation Scheme		85
Asset Recovery Incentivisation Scheme	Cr	85
IDOX System Implementation		22
Project X and IT Support Staff		105
Custom Build Grant		75
Custom Build Grant	Cr	75
Beckenham Library & Public Hall Feasibility Study		44
New Homes Bonus - Regeneration		73
Historic England - Crystal Palace Park Dinosaur Conservation		26
Historic England - Crystal Palace Park Dinosaur Conservation	Cr	26
Rough Sleepers Initiative Grant		5
Rough Sleepers Initiative Grant	Cr	5
Homelessness Reduction Grant		89
Homelessness Reduction Grant	Cr	89

Central Contingency Adjustments

Rough Sleepers Initiative Grant		104
Rough Sleepers Initiative Grant	Cr	104

Other

R&M WW Leisure Centre (non controllable)		12
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Latest Approved Budget for 2020/21

19,837

REASONS FOR VARIATIONS

The Covid-19 restrictions that were introduced on 23rd March have had a significant impact on many of the Portfolio's services. Although restrictions were subsequently eased, they have again been raised recently and it is not known how long these will remain or even be increased in the coming weeks. Nor is it clear what the longer term wider economic impacts will be and how this will affect services later in the year and beyond. The financial impact of this is reported separately to the Executive and therefore not included in the following variations.

1. Building Control Cr £63k

The service is currently holding some vacant posts and these will be kept vacant in order to partly offset the reduction in income. Staffing is forecast at £63k under budget. In accordance with Building Account Regulations and as in previous years, it is envisaged that the net deficit of £176k will still need to be drawn down from the earmarked reserve for the Building Control Charging Account, which would leave a deficit balance of £128k to be recovered in future years.

2. Local Land Charges Cr £35k

The service is currently holding some vacant posts and these will be kept vacant in order to partly offset the reduction in income. Staffing is forecast at £30k under budget, with other small variations resulting in a further £5k underspend. In accordance with regulations and as in previous years, the net deficit of £90k will be drawn down from the Land Charges reserve, increasing the deficit to £113k to be recovered in future years.

3. Planning Cr £147k

The service are currently holding some vacant posts and these will be kept vacant in order to partly offset the reduction in income. Staffing is forecast at £137k under budget. There are also some further, minor, variations within supplies and services forecast at an additional £10k under budget.

4. Culture Dr £30k

Within the Culture Division there is a £21k overspend forecast against salaries which mainly relates to maternity pay and the salary vacancy factor not being achieved this financial year. Other minor variations within the division result in a further £9k of forecast overspend this financial year.

5. Libraries Dr £39k

The Libraries contract is forecast to overspend by £50k this financial year due to additional pension costs for the staff that transferred at the commencement of the contract. Staffing is forecast to underspend by £6k and there is a further underspend of £5k from the Penge library rents.

6. Town Centre Management & Business Support Cr £5k

Minor variations in staffing and supplies and services result in a £5k underspend this financial year.

7. Housing Needs Dr £137k

Temporary accommodation budgets are currently projected to overspend by £246k. The projection is based on the number of current clients as at the end of Sept 2020, and an assumed increase of 10 clients each month for the next 6 months. This increased assumption (from the 5 per month assumed in the growth allocation in the 2020/21 budget) reflects an expectation of higher numbers of evictions later in the year.

At the start of the year the number of households in Nightly Paid Accommodation was 915. At the end of Sept 2020, the number had risen to 1,035 - an increase of 120. It is currently expected that numbers will increase to around 1,095 by the end of the financial year, at an average cost of around £6,240 per property per annum.

These numbers exclude other schemes like More Homes Bromley, Orchard & Shipman, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these have been included there are currently around 1,730 clients in temporary accommodation.

Housing Needs staffing budgets are currently forecast to underspend by £177k due to a number of vacancies.

The Travellers Site service is expected to overspend by £68k compare to budget mainly due to forecast overspend of £55k on the grounds maintenance and utilities budgets and forecast shortfall of £37k on site fees due to voids. These forecast overspend are partly offset by a forecast underspend of £16k on other running expenses budgets and underspend of £8k on the salaries budget.

Summary of overall variations within Housing Needs:

Temporary Accommodation	£'000
Staff Cost	246
Travellers Sites	Cr 177
Total variation for Housing Needs	68
	137

8. Enabling Activities Dr £1k

The last remaining mortgage balances have now been cleared so the budgeted interest income will not be achieved, resulting in an overspend of £1k.

9. Housing Improvement Dr £9k

The Housing Improvement budget is currently forecast to overspend by £9k mainly due to a projected overspend of £4k on staffing costs and forecast overspend £5k on Software Licences.

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, there has been a budget virement of £21k to fund an increase in staff salaries following job re-evaluations in Housing Needs.