

APPENDIX 1A

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	47	Cr 28	1	Cr 63	0
Cr 135	Land Charges	Cr 129	Cr 129	Cr 193	Cr 64	2	Cr 35	0
1,231	Planning	1,658	1,785	1,622	Cr 163	3	Cr 147	0
1,077		1,604	1,731	1,476	Cr 255		Cr 245	0
	Culture & Regeneration							
865	Culture & Regeneration	763	890	944	54	4	30	0
4,853	Libraries	4,794	4,782	4,820	38	5	39	0
110	Town Centre Management & Business Support	78	78	87	9	6	Cr 5	0
5,828		5,635	5,750	5,851	101		64	0
	Operational Housing							
888	Supporting People	1,019	1,019	698	Cr 321	7	0	0
8,870	Housing Needs	8,366	7,940	8,057	117	8	137	1,124
0	Enabling Activities	Cr 1	0	0	0		1	0
Cr 1,981	Housing Benefits	Cr 1,941	Cr 1,941	Cr 1,941	0		0	0
179	Housing Improvement	207	176	185	9	9	9	0
7,956		7,650	7,194	6,999	Cr 195		147	1,124
14,861	Total Controllable	14,889	14,675	14,326	Cr 349		Cr 34	1,124
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	19,379	19,030	Cr 349		Cr 34	1,124

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
Homeless Prevention Initiatives Grant	424

Other

R&M WW Leisure Centre (non controllable)	12
Next Steps Accommodation Programme grant (Rough Sleepers)	391
Next Steps Accommodation Programme grant (Rough Sleepers)	Cr 391
Transfer of Electricity Budget to RCCM portfolio	Cr 3

Budget Virement

Funding of a new Cross Service Support Admin post within PPE	Cr 31
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Latest Approved Budget for 2020/21

19,379

REASONS FOR VARIATIONS

The Covid-19 restrictions that have been in place for much of the time since 23rd March 2020 have had a significant impact on many of the Portfolio's services and these impacts are reported separately to the Executive as part of the quarterly monitoring update. It is not known how long current restrictions will remain or how these will be eased in the coming weeks and months. Nor it is clear what the longer term wider economic impacts will be and how this will affect services beyond this financial year. Projections continue to be refined and updated as the financial year progresses.

1. Building Control Cr £28k

The service is currently holding some vacant posts and these will be kept vacant in order to partly offset the reduction in income caused by the impact of Covid-19 on activity. Staffing is forecast at £49k under budget, partly offset by a projected overspend of £21k on supplies and services mainly due to recruitment costs for the Building Control Manager post. In accordance with Building Account Regulations and despite the additional adverse impact of Covid-19, it is assumed that the overall net deficit of £198k will still need to be drawn down from the earmarked reserve for the Building Control Charging Account, which would leave a deficit balance of £150k to be recovered in future years.

2. Local Land Charges Cr £64k

Staffing is forecast at £58k under budget, with other small variations resulting in a further £6k underspend. In accordance with regulations and as in previous years, it is assumed that any overall net deficit will be need to be drawn down from the Land Charges reserve, increasing the deficit to £24k to be recovered in future years.

3. Planning Cr £163k

Staffing is forecast at £100k under budget. There are also a number of variations across various running cost budgets, including the Local Implementation Plan which will be delayed until next financial year, resulting in a further underspend of £63k.

4. Culture Dr £54k

Within the Culture Division there is a £18k overspend forecast against salaries which mainly relates to maternity pay and additional costs of backfilling arrangements. Service managers will seek to mitigate these costs and other spending pressures in the Division by charging appropriate officer time to capital projects it is managing. The costs of cladding replacement at the Churchill Theatre and Central Library will result in a potential cost pressure of £37k to the service as the final scheme cost has exceeded the earmarked budget. Other minor variations within the Division result in an underspend of £1k this financial year.

5. Libraries Dr £38k

The Libraries contract is forecast to overspend by £50k this financial year as a result of an increase in pension contributions for staff that transferred at the commencement of the contract and for which a cap was agreed. Staffing is forecast to underspend by £7k and there is a further underspend of £5k on the Penge library rents.

6. Town Centre Management & Business Support Dr £9k

Town Centre Management is forecast to overspend this financial year by £9k due to minor variations in staffing and supplies and services.

7. Supporting People Cr £321k

The Supporting People budget is forecast to underspend £321k due to an in-year forecast underspend of £131k plus £190k credit relating to prior year provisions.

8. Housing Needs Dr £117k

Temporary accommodation budgets are currently projected to overspend by £275k. The projection is based on the number of current clients as at the end of Dec 2020, and an assumed increase of 20 clients each month for the next 3 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 Dec 2020, the number had risen to 1,095 - an increase of 180. It is currently expected that numbers will increase to around 1,155 by the end of the financial year, at an average cost of around £6,200 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 1,809 clients in temporary accommodation.

Housing Needs staffing budgets are currently forecast to underspend by £208k due to a number of vacancies.

The Travellers Site service is expected to overspend by £132k mainly due to a forecast shortfall of site fees income of £37k due to voids, forecast overspend of £55k on the grounds maintenance and utilities budgets and a one-off spend on fencing works costing £64k. These forecast overspends are partly offset by a forecast underspend of £16k on other running expenses budgets and underspend of £8k on the salaries budget.

Based on actual activity/pattern of spend to date, the furniture Storage budget is forecast to underspend by £98k.

The income from Choice Based Letting advertising is forecast to reduce by £12k due to reduced demand from Housing Associations.

Other net miscellaneous overspends of £4k relates to minor variations in running costs.

Summary of overall variations within Housing Needs:

	£'000
Temporary Accommodation	275
Staffing	Cr 208
Travellers Sites	132
Furniture Storage	Cr 98
Choice Based Letting	12
Other net miscellaneous	4
Total variation for Housing Needs	<u>117</u>

9. Housing Improvement Dr £9k

The Housing Improvement budget is currently forecast to overspend by £9k mainly due to a underspend of £61k on salaries costs which is offset by a reduction of £64k in recharges to the DFG Capital scheme, an overspend of £6k on Software Licences and an overspend £1k on Supplies and Services.

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 £31k increased recharge from the Housing Improvement Team to the Capital Disability Facilities Grant (DFG) capital scheme to fund a new post Cross Service Support Administration post within Public Protection and Enforcement Services.