

GENERAL FUND - PROVISIONAL OUTTURN FOR 2022/23

Portfolio	2022/23	Budget	2022/23		2022/23	Variation	Variation previously reported
	Original Budget	Variations allocated in year #	Approved Budget	Latest Budget	Projected Outturn		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Care & Health	79,216	100	79,316	79,910	79,910	594	0
Children, Education & Families (incl. Schools' Budget)	49,594	1,127	50,721	56,015	56,015	5,294	0
Environment & Community	34,294	1,584	35,878	36,913	36,913	1,035	0
Public Protection & Enforcement	2,645	0	2,645	2,665	2,665	20	0
Renewal, Recreation & Housing	14,502	560	15,062	15,655	15,655	593	0
Resources, Commissioning & Contracts Management	43,841	2,342	46,183	46,683	46,683	500	0
Total Controllable Budgets	224,092	5,713	229,805	237,841	237,841	8,036	0
Capital, Insurance & Pensions Costs (see note 2)	11,399	0	11,399	11,399	11,399	0	0
Non General Fund Recharges	Cr 1,461	0	Cr 1,461	Cr 1,461	Cr 1,461	0	0
Total Portfolios (see note 1)	234,030	5,713	239,743	247,779	247,779	8,036	0
Central Items:							
Income from Investment Properties	Cr 9,166	500	Cr 8,666	Cr 8,481	Cr 8,481	185	0
Interest on General Fund Balances	Cr 2,841	0	Cr 2,841	Cr 3,841	Cr 3,841	Cr 1,000	0
Total Investment Income	Cr 12,007	500	Cr 11,507	Cr 12,322	Cr 12,322	Cr 815	0
Contingency Provision (see Appendix 4)	18,208	Cr 7,784	10,424	4,915	4,915	Cr 5,509	0
Other central items							
Reversal of net Capital Charges (see note 2)	Cr 9,878	0	Cr 9,878	Cr 9,878	Cr 9,878	0	0
Utilisation/Set Aside of Prior Year Collection Fund Surplus	0	0	0	0	0	0	0
New Homes Bonus Support for Revenue	253	0	253	253	253	0	0
Contribution to social care staffing reserve	0	1,700	1,700	1,700	1,700	0	0
Contribution to IT procurement reserve	0	336	336	336	336	0	0
Contribution to xxx	0	0	0	0	0	0	0
Contribution to xxx	0	0	0	0	0	0	0
Levies	1,272	0	1,272	1,272	1,272	0	0
Total other central items	Cr 8,353	2,036	Cr 6,317	Cr 6,317	Cr 6,317	0	0
Prior Year Adjustments							
PY 1	0	0	0	0	0	0	0
PY 2	0	0	0	0	0	0	0
PY 3	0	0	0	0	0	0	0
Total Prior Year Adjustments	0	0	0	0	0	0	0
Total all central items	Cr 2,152	Cr 5,248	Cr 7,400	Cr 13,724	Cr 13,724	Cr 6,324	0
Bromley's Requirement before balances	231,878	465	232,343	234,055	234,055	1,712	0
Carry Forwards from 2021/22 (see note 3)	0	Cr 465	Cr 465	0	0	465	0
Adjustment to Balances	0	0	0	Cr 2,177	Cr 2,177	Cr 2,177	0
	231,878	0	231,878	231,878	231,878	0	0
Business Rates Retention Scheme (Retained Income, Top-up and S31 Grants)	Cr 42,828	0	Cr 42,828	Cr 42,828	Cr 42,828	0	0
Collection Fund losses	0	0	0	0	0	0	0
New Homes Bonus	Cr 253	0	Cr 253	Cr 253	Cr 253	0	0
New Homes Bonus Topslice	0	0	0	0	0	0	0
One off 2022/23 Services Grant	Cr 2,652	0	Cr 2,652	Cr 2,652	Cr 2,652	0	0
Council Tax Support - Collection Fund surplus	Cr 2,662	0	Cr 2,662	Cr 2,662	Cr 2,662	0	0
Funding COVID cost pressures from Earmarked Reserve	Cr 548	0	Cr 548	Cr 548	Cr 548	0	0
Collection Fund Surplus	Cr 4,100	0	Cr 4,100	Cr 4,100	Cr 4,100	0	0
Bromley's Requirement	178,835	0	178,835	178,835	178,835	0	0
GLA Precept	52,751	0	52,751	52,751	52,751	0	0
Council Tax Requirement	231,586	0	231,586	231,586	231,586	0	0

Budget Variations allocated to portfolios in year consists of:

1) Carry forwards from 2021/22	£'000	
2) Allocations from the central contingency provision	465	(see note 3)
	<u>5,248</u>	(see Appendix 4)
	<u>5,713</u>	

1) **NOTES**

Portfolio Final Approved Budgets analysed over Departments as follows:

	2022/23	Budget	2022/23	2022/23	Variation	Variation
	Original Budget	Variations allocated in year #	Approved Budget	Latest Budget	Projected Outturn	previously reported
	£'000	£'000	£'000	£'000	£'000	£'000
People Department	144,600	1,227	145,827	145,827	151,715	5,888
Place Department	68,356	3,456	71,812	71,812	73,460	1,648
Chief Executive's Department	21,074	1,030	22,104	22,104	22,604	500
	<u>234,030</u>	<u>5,713</u>	<u>239,743</u>	<u>239,743</u>	<u>247,779</u>	<u>8,036</u>

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 2021/22

Carry forwards from 2021/22 into 2022/23 totalling £465k were approved by Council and the Executive. Full details were reported to the June meeting of the Executive in the "Provisional Final Accounts 2021/22" report.

Comments from the Executive Director of Environment and Community Services

None

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

None

Comments from the Director of Adult Social Care

The start of the financial year has seen a continuation of the pressures experienced during the last financial year, with continuing demand from the hospitals as they attempt to clear waiting lists that developed due the pandemic and continued pressure to discharge people quickly. Whilst we have seen an increase in numbers of people being discharged compared to pre-pandemic, more importantly the needs of individuals needing support has remained high.

The teams have worked hard to clear the backlog of assessments that built as people started wanting services again, with the waiting times reduced to less than two weeks at this point in time. Those with disabilities have again started to attend services as confidence in mixing has increased.

We have seen an upturn in the cost of care, partly due to the increase in the cost of living, but also as providers prepare for the introduction of the Fair Cost of Care, with prices increasing significantly. The work to prepare for the changes in policy are well under way, with an emphasis on mitigating any risk, but this is expected to be a feature in future years as more people fall into government funding.

Comments from the Director of Housing, Planning and Regeneration

£1,116k of growth was included in the housing budget for 2022/23 to reflect the continuing pressures in relation to homelessness and the provision of temporary accommodation. A total of £1,785k savings was also included to mitigate these pressures.

Whilst approaches remain high, the ongoing supply of acquired properties and prevention work has continued to slow the rate of growth in nightly paid accommodation placements. However the number of approaches are starting to rise alongside increased pressure on nightly paid accommodation rates across London and the South East This results in a £422k overspend on temporary accommodation, with a £349k overspend on housing overall. As has been reported work is ongoing to increase the supply of affordable housing to continue to mitigate and reduce the current pressures relating to temporary accommodation particularly in relation to the increased ability to secure leased accommodation within temporary accommodation subsidy rates.

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 consultant's 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 particularly relating to the increased demand for placements across London
- ii) Increased rent arrears arising from inflation and increased costs of utilities and so forth
- iii) Reduced vacant housing association properties coming forward for letting
- iv) Increased maintenance and repairs costs in relation to the travellers site required to maintain health and safety standards

- v) Increase in planning applications and need to ensure application processing is sufficiently resourced
- vi) Increases being seen in construction and maintenance costs

Finally, the immediate and ongoing impacts of the Covid-19 pandemic on budgets are only now becoming apparent. Significant losses in income, in particular from commercial rents, are expected as town centres have been severely affected during lockdown restrictions. There is also likely to be an increase in homeless presentations and families requiring temporary accommodation as the current moratorium on evictions is eased later in the year. The full impact in 2021/22 and future years remains difficult to assess and will be largely dependent on the easing of restrictions and recovery of the wider economy.

Comments from the Director of Childrens Services

The Children, Education and Families Portfolio has an overspend of £5,294,000 for the year.

The Education Division has an overspend of £43k. This figure has partially been offset by using one off COVID funding to reduce the in year overspend. The overspend is mainly to do with SEN transport.

Initial analysis indicates that there are a number of causal factors resulting in the forecast overspend position on transport:

An increase in number and complexity of Special Educational Needs and Disabilities - The national increase in EHCPs is widely acknowledged as unsustainable and the rate of increase is accelerating across the country. In Bromley, despite gatekeeping measures, the increase in EHCPs has now reached 17%, (higher than the projected increase of 14% used to produce Growth funding assumptions).

The complexity of children and young people's needs is increasing, particularly Covid-related acute social, emotional and mental health needs, which require specialist provision which is typically costly independent provision outside of Bromley. Transport is often required and although officers seek to minimise costs, transport is often required to meet children's needs.

Transport provider pressures arising from the Covid-19 pandemic - The number of children requiring transport has increased by circa 17%, but this only accounts for part of the increase in costs. The reduced availability of drivers has resulted in more expensive providers having to be used from the call off framework

Immediate management action was taken on the notification of the forecast budget overspend position. A specialist external transport adviser has undertaken a review of SEN transport arrangements, including benchmarking analysis and a full review of processes and eligibility criteria to identify potential savings. This has enabled significant mitigation proposals to be identified as part of the MTFS process, which would offset the forecast pressures on SEN Transport. In addition work has been undertaken by our AD Strategic Performance resulting in predictive work for the next few years. This work has been incorporated into subsequent budget challenge discussions.

There is a current projected overspend in DSG of £4,254k. This will be added to the £7,142k carried forward from 2021/22. This gives us an estimated DSG deficit balance of £11,574k into the new financial year. Although there are some underspends to offset these in early years they do not cover the whole reduction in grant. There has also been increases in SEN placements and top up funding that have had an impact.

We have recently met with representatives from the DfE to set out our deficit recovery plan which they have approved.

The impact of additional legal duties from the SEND Reforms, has led to unsustainable financial pressures on High Needs costs within the DSG. An increase in Government funding (>£5m in 2021/22) is not sufficient to meet the increased costs. We are aware that Bromley is one of the last London Boroughs to incur a deficit in the DSG, with some local authorities having deficits in excess of £20m. The legal framework is heavily weighted in favour of parental preference, which is often for independent day and residential provision. We continue to assess all cases carefully and with a view to carefully balancing the education needs of young people and ensuring the best value for money from specialist education placements. Where it is appropriate to do so we continue to defend our decisions at Tribunal.

In the 2021 calendar year, 476 new EHCPs were issued, up from 274 in 2018 and 352 in 2019. In the first 7 months of 2022 we have issued 214 new EHCP's. We have sought to commission additional local specialist provision, including a new special free school due to open in 2023, but the needs and tribunal challenges are such that we have no choice but to continue placing children in more costly provision to ensure we are not in default of our legal statutory duties.

A review of High Needs Funding Bands has commenced, with oversight from the SEND Governance Board and CEF PDS. This will consider how the funding bands can be simplified and to identify where any savings can be made. We continue to work on increases to local specialist provision, including the special free school and increases in Additionally Resourced Provisions, which are specialist classes within mainstream schools.

In Children's Social Care the overspend is £5,251k.

The ongoing impact of C19 on Children Services continues especially in respect of contacts into our MASH – these continue to remain consistently around 1,100 contacts per month with little sign of a reduction. This compares to around 600 in April 2020 and it is the complexity of need from the families and children that have an added dimension.

There continues to be a high level of demand for support particularly in CWD which has meant a rise in demand for our short break provision. In response we have sought to increase the number of nights available for the number of families requiring this. Whilst These continued pressures have meant an increase in our looked after population in CWD despite the innovative and expensive care packages put in to support with health provision short breaks. The resilience for some families is now being significantly tested following two years of Covid challenges. This is primarily seen in families for children with profound and complex health and challenging sometimes aggressive behaviour.

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

Recruitment and retention of permanent staff/ ability to recruit skilled staff for the posts vacant and competitive salaries being paid at this time

Limited supply and increasing costs of residential placements – including the specialist placements for very complex young people. The cost of such placements is high and then with the delay to final hearing families are being retained in these placements beyond the assessment.

Increased complexity of children (SEND).

Shortage of local school places (particularly for Specialist schools).

Increasing High Needs Block expenditure not matched by a commensurate increase in Government Grant.

Adult Care and Health Portfolio Budget Monitoring Summary

2021/22 Actuals £'000	Division Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
PEOPLE DEPARTMENT								
Adult Social Care								
25,374	Assessment and Care Management	24,473	24,024	24,352	328	1	0	821
117	Direct Services	86	86	86	0		0	0
1,779	Quality Assurance & Safeguarding	1,930	1,930	1,930	0		0	0
39,170	Learning Disabilities	42,009	42,273	42,370	97	2	0	255
8,380	Mental Health	8,198	8,483	8,652	169	3	0	45
885	Placement and Brokerage	914	914	914	0		0	0
Cr 312	Better Care Fund - Protection of Social Care	0	0	0	0		0	0
Cr 920	CCG Support for Social Care	0	0	0	0		0	0
Cr 1,650	COVID grant to support impact of COVID on service ar	0	0	0	0		0	0
72,823		77,610	77,710	78,304	594		0	1,121
Integrated Commissioning Service								
1,222	Integrated Commissioning Service	1,336	1,336	1,336	0		0	0
1,101	Information & Early Intervention							
	- Net Expenditure	1,205	1,205	1,205	0		0	0
Cr 1,101	- Recharge to Better Care Fund	Cr 1,205	Cr 1,205	Cr 1,205	0		0	0
	Better Care Fund							
24,175	- Expenditure	25,117	25,602	25,602	0	4	0	0
Cr 24,201	- Income	Cr 25,137	Cr 25,622	Cr 25,622	0		0	0
	Improved Better Care Fund							
10,050	- Expenditure	7,503	10,327	10,327	0	5	0	0
Cr 10,050	- Income	Cr 7,503	Cr 10,327	Cr 10,327	0		0	0
1,196		1,316	1,316	1,316	0		0	0
Public Health								
15,197	Public Health	15,475	17,866	17,866	0		0	0
Cr 15,325	Public Health - Grant Income	Cr 15,185	Cr 17,576	Cr 17,576	0		0	0
Cr 128		290	290	290	0		0	0
73,891	TOTAL CONTROLLABLE ADULT CARE & HEALTH	79,216	79,316	79,910	594		0	1,121
2,602	TOTAL NON CONTROLLABLE	434	434	434	0		0	0
5,249	TOTAL EXCLUDED RECHARGES	5,063	5,063	5,063	0		0	0
81,742	TOTAL ADULT CARE & HEALTH PORTFOLIO	84,713	84,813	85,407	594		0	1,121

Reconciliation of Latest Approved Budget

£'000

2022/23 Original Budget

84,713

Carry forwards requests

Improved Better Care Fund

- expenditure

2,597

- income

Cr 2,597

Better Care Fund

- expenditure

83

- income

Cr 83

Public Health Grant

- expenditure

1,964

- income

Cr 1,964

Winter Resilience Funding

- expenditure

400

- income

Cr 400

Shared Lives Transformation Posts

100

Other:

Better Care Fund

- expenditure

402

- income

Cr 402

Improved Better Care Fund

- expenditure

227

- income

Cr 227

Public Health Grant

- expenditure

427

- income

Cr 427

ICS funding:

- Hospital Discharges

- expenditure

3,308

- income

Cr 3,308

- LD/Autism

- expenditure

247

- income

Cr 247

- Discharge Transformation Funds

- expenditure

361

- income

Cr 361

King's funding for SPA

- expenditure

500

- income

Cr 500

Market Sustainability and Fair Cost of Care Fund

- expenditure

804

- income

Cr 804

Charging Reform Implementation Support Grant

- expenditure

104

- income

Cr 104

Latest Approved Budget for 2022/23

84,813

1. Assessment and Care Management - Dr £328k

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	663
- Placements (discharge packages)	1,336
- Domiciliary Care / Direct Payments	Cr 20
- Domiciliary Care (discharge packages)	1,972
- CCG funding for discharge packages	Cr 3,308
	<u>643</u>
Services for 18-64	
- Placements	125
- Domiciliary Care / Direct Payments	79
	<u>204</u>
Other	
- Community DoLS	Cr 195
- D2A	Cr 324
	<u>519</u>
	<u><u>328</u></u>

The 2022/23 budget includes funding for the full year effect of the September 2021 overspend as reported to Members in the September Budget Monitoring report.

Services for 65+ - Dr £643k

Numbers in residential and nursing care continue to be above the budget provision, currently 10 placements above the budget number of 494, with an overspend being projected of £663k for the year. Of this amount £413k relates to costs being incurred for both placements above the Council's guide rates and additional 1-2-1 care required for some service users in some of the residential settings.

The overall position on the domiciliary care and direct payments budgets is a projected underspend of £20k. Domiciliary care is projected to underspend by Cr £54k and direct payments to overspend by £34k.

Due to Covid-19, discharges from hospital continue to follow a revised pathway in unison with health. Based on current levels of activity, the cost of the short term care home placements following discharge is estimated at £1,336k, and domiciliary care packages at £2,118k. South East London Integrated Care Board (ICB) have provided £3,308k of one-off funding for hospital discharge packages in 2022/23 following the cessation of central funding from NHS England which will fund the majority of these costs, with the remaining £246k funded from the existing D2A budget.

As part of the 2022/23 budget setting, savings of £229k were included in the division and at this stage it is expected that this amount will be achieved.

Services for 18-64+ - Dr £204k

Placements for 18-64 age group are projected to overspend by £125k this year based on current service user numbers which are currently 3 above budgeted levels. The overspend for Physical Support service users is £58k (1 placement) and Memory & Cognition £67k (2 placements).

The overall position on the domiciliary care and direct payments budgets is a projected overspend of £79k. Domiciliary care is currently projected to underspend by £13k and direct payments to overspend by £92k.

Community Deprivation of Liberty Safeguards (CDoLS) - Cr £195k

There has been no spend on the CDoLS budget yet, resulting in an underspend to date of £195k.

Discharge to Assess (D2A) - Cr £324k

Due to Covid-19, discharges from hospital continue to follow a revised pathway in unison with health. As referred to above, South East London ICS have provided one-off funding for hospital discharge packages in 2022/23 and as a result it is expected that the existing D2A budget will not be fully utilised.

2. Learning Disabilities - Dr £97k

The 2022/23 Learning Disabilities (LD) budget includes funding for anticipated 2022/23 demand-related pressures and the full year effect (FYE) of the 2021/22 overspend but also reductions relating to planned savings.

An overspend of £97k is currently anticipated which mainly relates to the 18-64 age range. The actual FYE of the 21/22 overspends at year end was considerably higher than the growth figure included in the budget, which was based on the September 2021 budget monitoring position; however this has been partly offset by an increase in the number of full cost contributions as well as underspends on Domiciliary Care and Direct Payments budget.

Given the early stage in the financial year a significant element of projected spend is based on assumptions, for example future services for young people transitioning to adult social care services and increased client needs during the year. In view of the relatively high proportion of the forecast based on future assumptions rather than actual data, this position is likely to change as the year progresses.

3. Mental Health - Dr £169k

The 2022/23 budget includes funding for the full year effect of the September 2021 overspend as reported to Members as part of the September Budget Monitoring report.

Placements for 65+ age group are projected to overspend by £113k this year based on current service user numbers of 39.

The overall position on the domiciliary care and direct payments budgets is a projected overspend of £2k. Domiciliary care is currently projected to overspend by £79k and direct payments to underspend by £77k.

Placements for the 18-64 age group are projected to overspend by £106k this year based on current service user numbers of 103, and mainly relates to Supported Living accommodation.

The overall position on the domiciliary care and direct payments budgets is a projected underspend of £52k, with Domiciliary care currently projected to underspend by £119k and direct payments to overspend by £67k.

4. 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 South East London ICB.

The final 2022/23 allocation was published in May at a 5.66% increase above 2021/22 levels, which equates to a £402k increase above the 4% assumed in the budget. It is proposed that this allocation is set aside for hospital discharge care packages.

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

The total amount of funding available in 2022/23 is:

	£'000
2021/22 IBCF allocation - recurrent	4,636
2021/22 IBCF allocation - non-recurrent (extended for 5th year)	1,677
2021/22 Winter Pressures Grant	1,190
Carry forward from previous years	<u>2,597</u>
	<u>10,050</u>

The non-recurrent IBCF funding of £1,677k has been extended for a sixth year and, for the third year running, this will fund a contribution to a 'whole system' reserve that can be called upon in relation to any crisis in the joint health and social care systems.

£1,400k of the carry forward from previous years has been allocated to help mitigate growth pressures in the 2022/23 budget, with a further £400k assumed for the 2023/24 budget.

For the first time in recent years, the IBCF allocation had an inflationary increase for 2022/23 of 3% which equates to £227k. It is proposed that this is allocated to help offset cost pressures in the portfolio, and has been assumed in the figures above.

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. The Director of Adult Social Care has additional authority in respect of placements.

Since the last report to the Executive, 17 waivers for Adult placements have been agreed for between £50k and £100k and 3 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. There have been no virements since the last report to Executive.

Children, Education and Families Portfolio Budget Monitoring Summary

2021/22 Actuals £'000	Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	EDUCATION CARE & HEALTH SERVICES DEPARTMENT							
	Education Division							
-461	Adult Education Centres	Cr 438	Cr 432	Cr 419	13	1	0	0
694	Schools and Early Years Commissioning & QA	747	747	591	Cr 156	2	0	0
2,612	SEN and Inclusion	2,365	2,365	2,493	128	3	0	0
99	Strategic Place Planning	43	43	43	0		0	0
49	Workforce Development & Governor Services	Cr 24	Cr 24	Cr 24	0	4	0	0
6,975	Access & Inclusion	6,781	6,781	7,371	590	5	0	1,282
0	Management Action - draw down from reserves	0	0	Cr 531	Cr 531		0	0
-1,446	Schools Budgets	Cr 1,493	Cr 1,493	Cr 1,494	Cr 1	6	0	0
25	Other Strategic Functions	318	324	324	0		0	0
8,537		8,263	8,275	8,318	43		0	1,282
	Children's Social Care							
1,774	Bromley Youth Support Programme	1,732	1,732	1,837	105		0	0
676	Early Intervention and Family Support	1,342	1,432	1,429	Cr 3		0	0
8,150	CLA and Care Leavers	8,280	8,280	7,605	Cr 675		0	1,581
21,406	Fostering, Adoption and Resources	18,720	18,720	21,849	3,129		0	4,329
4,358	Referral and Assessment Service	4,092	4,092	4,564	472		0	0
3,908	Safeguarding and Care Planning East	3,012	3,487	4,734	1,247		0	0
2,779	Safeguarding and Care Planning West	6,105	6,580	7,101	521		0	0
Cr 980	Safeguarding and Quality Improvement	Cr 1,952	Cr 1,877	Cr 1,422	455		0	0
42,071		41,331	42,446	47,697	5,251		0	5,910
50,608	TOTAL CONTROLLABLE FOR EDUCATION, CHILDREN & FAMILIES	49,594	50,721	56,015	5,294		0	7,192
	Total Non-Controllable	1,594	1,594	1,594	0			0
	Total Excluded Recharges	8,761	8,761	8,761	0		0	0
50,608	TOTAL EDUCATION, CHILDREN & FAMILIES PORTFOLIO	59,949	61,076	66,370	5,294		0	7,192
	Memorandum Item							
	Sold Services							
	Education Psychology Service (RSG Funded)	Cr 94	Cr 94	186	280		0	0
	Education Welfare Service (RSG Funded)	Cr 18	Cr 18	21	39		0	0
	Workforce Development (DSG/RSG Funded)	Cr 30	Cr 30	30	0		0	0
	Community Vision Nursery (RSG Funded)	64	64	70	Cr 134		0	0
	Blenheim Nursery (RSG Funded)	98	98	109	11		0	0
0	Total Sold Services	20	20	216	196		0	0

Reconciliation of Latest Approved Budget	£'000
Original Budget 2022/23	59,949
Contingency:	
Additional social workers re caseloads	700
Temporary increase in CIN social workers	250

Carry forwards:

Broadband at Poverest	6
Wellbeing for Education	6
Deed Settlement for Hawes Down Site	
- expenditure	12
- income	-12
Virtual School CIN Grant	
- expenditure	63
- income	-63
Virtual School PLAC Grant	
- expenditure	93
- income	-93
Tackling Troubled Families Grant	
- expenditure	334
- income	-334
EIFS waiting list and volumes	90
MOPAC Choices grant	75

Other:

Latest Approved Budget for 2022/23	61,076
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REASONS FOR VARIATIONS

1. Adult Education - Dr £13k

The Adult Education service is currently projecting to overspend by £13k. This is due to an overspend on running costs of £25k that is offset by a small underspend of £12k on the staffing budgets.

2. Schools and Early Years Commissioning & QA - Cr £156k

The in-house nurseries are currently having issues with staffing that has resulted in one of them temporary closing. This has resulted in a staffing underspend across the two nurseries of £201k and an under collection of income of £78k. Once the two figures are netted off, it leaves a net underspend of £123k.

Across the rest of the service there is a £33k underspend relating to staffing

3. SEN and Inclusion - Dr £128k

The staffing in this area is currently forecasting an underspend by £105k. This is due to a number of posts that are currently vacant and are currently expected to be filled during the year.

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 £47k and the Trading Service they offer to the Schools to be overspent by £280k due to the use of expensive agency staff used to provide the service. This is a net overspend of £233k.

Please note that as from the start of the year, the SEN Transport Service has moved from the SEN Division to the Access & Inclusion Division

5. Access & Inclusion - Dr £590k

The Education Welfare Service Trading Account is currently expected to under collect on its income by £39k due to the loss of a number of school contracts. The provision of the service will need to be reviewed.

There is currently expected to be an overspend of £20k on the cost for maintaining and updating the database for school pupils.

SEN Transport is currently forecast to overspend by £531k. This is due to additional costs of £755k related to the cost of providing the service. This is then offset by forecasted underspends on staffing (£178k) and collection of additional income of £46k. These figures may change due to new routes being in place from the start of the new academic year and during the year as route rationalisation occurs.

6. 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 year's Schools Budget.

There is a current projected overspend in DSG of £4,254k. This will be added to the £7,142k carried forward in the reserves from 2021/22. The prior year Early Year adjustment has reduced our 2021/22 DSG allocation by £178k causing an additional pressure on the DSG. This gives us an estimated DSG reserve of £11,574k at the end of the financial year.

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

There is an underspend of £75k in the Primary Support Team area. This is due to underspends in the staffing budgets.

The Home and Hospital service currently has a pressure of £200k due to the use of agency tutors to support the higher number of students the service is supporting.

There is an underspend of £1,778k from the High Needs Supplementary Grant. This is being used to offset the increase in costs of the SEN Placement budgets. The part of the grant that is shown as spent has been allocated to the schools in Bromley to support them with the additional costs they currently have.

SEN placements are projected to overspend by a total of £5,733k. The overspend is being caused by the Maintained Day (£652k), Independent Day (£3,400k), Alternative Programmes (£482k), Independent Boarding Schools (£332k), Maintained Boarding Schools (£69k), Direct Payment (£105k) and Matrix funding (£693k).

SEN Support for clients in Further Education Colleges is currently expected to overspend by £221k this year. This is due to the cost of placing clients with Independent providers.

The DSG funded element of SEN Transport is projected to overspend by £121k due to the new routes that were established in the last year. The level of spend in this area has been lower in previous years. Due to the current funding regulations LBB are not permitted to increase this budget from the previous year's allocation.

The Early Support Programme, Complex Needs team and Darrick Wood Hearing Unit are all currently projected to underspend. Most of the underspend relates to lower than expected staffing costs. These are then being offset by an overspend in the High Needs Pre-school Service and other Staffing costs to give a net underspend of £71k.

There is also a total small balance of overspends of £24k.

	Variations £'000	High Needs £'000	Schools £'000	Early Years £'000	Central £'000
Primary Support Team	-75	0	0	0	-75

Home & Hospital	200	200	0	0	0
Used of Additional Money	-1,778	-1,778	0	0	0
Other Small Balances	11	0	0	6	5
SEN:					
- Placements	5,733	5,733	0	0	0
- Support in FE colleges	221	221	0	0	0
- Darrick Wood Hearing Unit	-40	-40	0	0	0
- Complex Needs Team	-10	-10	0	0	0
- High Needs Pre-school Service	12	12	0	0	0
- Early Support Programme	-54	-54	0	0	0
- SEN Staff	21	21	0	0	0
- Other Small SEN Balances	13	13	0	0	0
Total	4,254	4,318	0	6	-70

7. Children's Social Care - Dr £5,251k

The current budget variation for the Children's Social Care Division is projected to be an overspend of £5,251k, Despite additional funding being secured in the 2022/23 budget, continued increases in the number of children being looked after together with the cost of placements has continued to put considerable strain on the budget.

Bromley Youth Support Programme -Dr £105k

The BYSP budget is projected to underspend by £105k this year. This is due to an overspend of £90k in staffing and an under collection of income of £121k. These are then offset by an underspend on running costs of £106k.

CLA and Care Leavers - Cr £675k

The service is currently expected to underspend by £675k. This is due to an overspend in staffing of £116k, an under collection of income of £151k and £103k over spend on running costs. These are then offset by a £1,045k underspend on placement costs in the service.

Fostering, Adoption and Resources - £3,129k

The budget for children's placements is currently projected to overspend by £3,035k this year. This amount is analysed by placement type below.

- Community Home's / Community Home's with Education - Dr £1,592k
- Boarding Schools - Dr £18k
- Fostering services (IFA's) - Dr £1,147k
- Fostering services (In-house, including SGO's and Kinship) - Dr £232k
- Adoption placements - Cr £36k
- Outreach Services - Dr £198k
- Transport Costs - Cr £116k

Additionally there are overspends on staffing of £32k and running cost of £62k in this area.

Referral and Assessment Service - Dr £472k

The main projected variance relates to services is a projected overspend on staffing of £350k, with the remaining £122k relating to running costs that in turn mostly relate to No Recourse to Public Funds (NRPF) clients.

Safeguarding and Care Planning East - Dr £1,247k

The budget in this area is currently projected to overspend by £1,247k, and is due to staffing overspends of £420k, PLO cases overspending by £755k and the remaining (£72k) relating to general running costs over spends.

Safeguarding and Care Planning West- Dr £521k

Services for Children with Disabilities is projected to overspend by £73k this year. This is made up of an overspend of £75k in relation to transport, £42k for counselling and £29k for other running costs. These are then offset by an underspend of £73k on staffing.

The remainder of the area is overspent by £448k and is due to a staffing overspend of £311k, Short breaks of £104k and other running costs of £33k

Safeguarding and Quality Improvement - Dr £455k

The projected overspend of £455k in this area mainly relates to staffing (£433k), and this includes the costs of recruiting and retaining social workers across the whole of Children's Social Care. There is additionally a £22k overspend in running costs.

8. 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 in Children's Social Care there were 14 waivers agreed for placements of between £100k and £150k, 1 between £150k and £200k and 7 for a value of over £200k.

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 processed

Environment & Community Portfolio Budget Monitoring Summary

2021/22 Actuals £'000	Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT & COMMUNITY PORTFOLIO							
	Street Scene & Green Spaces							
1082	Arboriculture Management	757	771	771	0		0	0
Cr 164	Business Support and Markets	Cr 64	Cr 64	42	106	1	0	0
6,039	Parks and Green Spaces	6,073	6,214	6,214	0		0	0
200	Street Regulation and Enforcement	1,573	1,573	1,573	0		0	0
18,582	Waste Services	19,654	20,463	19,663	-800	2	0	-800
5,789	Street Environment	5,992	6,112	6,112	0		0	0
1417	Management and Contract Support	231	231	231	0		0	0
32,945		34,216	35,300	34,606	-694		0	-800
	Transport Operations and Depot							
504	Transport Operations and Depot Management	594	594	594	0		0	0
504		594	594	594	0		0	0
	Traffic, Parking and Highways							
248	Traffic & Road Safety	133	133	362	229	3	0	0
Cr 6,967	Parking	Cr 9,462	Cr 8,962	Cr 7,462	1,500	4-8	0	1,000
6,072	Highways (including London Permit Scheme)	8,813	8,813	8,813	0		0	0
-647		-516	-16	1,713	1,729		0	1,000
32,802	TOTAL CONTROLLABLE	34,294	35,878	36,913	1,035		0	200
2,630	TOTAL NON-CONTROLLABLE	6,689	6,689	6,689	0		0	0
2,449	TOTAL EXCLUDED RECHARGES	2,336	2,336	2,336	0		0	0
37,881	PORTFOLIO TOTAL	43,319	44,903	45,938	1,035		0	200

Reconciliation of Latest Approved Budget

£'000

Original Budget 2022/23

43,319

Carry Forward Requests approved from 2021/22

Central Contingency Adjustments

Contract Inflation

Waste Collection & Disposal

810

Street Environment

120

Parks Management & Grounds Maintenance

140

Arboricultural Services

14

1,084

Parking income

500

Other

Latest Approved Budget for 2022/23

44,903

REASONS FOR VARIATIONS

1. Business Support & Markets Dr £106k

Street trading income remains affected by the continuation, under the Business and Planning Act 2020 (Pavement Licences) (Coronavirus) (Amendment) Regulations 2021, of pavement licences. This was a temporary measure, originally introduced during the Covid pandemic but now extended into 2023 with a view to being made permanent, which allows businesses to apply for a pavement licence for a £100 administration fee with no ongoing charges. This is a significant reduction compared to the permanent street trading licence scheme where the fees charged are significantly higher and are subject to periodic renewal. The estimated net impact on the Council this year is a net loss of c£50k.

Market income is anticipated to be under budget by c£56k this year. This continues the trend over the last two years which has seen a decline in the number of market traders following the initial impact of the Covid pandemic.

2. Waste Services Cr £800k

In setting the budget for 2022/23, account was taken of the significant increase in waste volumes collected from residential properties that had occurred since 2020. This was explained mainly as more people working from home following Covid restrictions, as well as an increase in the amount of waste generated from more home deliveries. As 2021 progressed, it appeared that this would be a long term and permanent change in domestic habits with a corresponding long term increase in recycling processing and waste handling costs, and the 2022/23 budget therefore was increased by £800k.

However, it became apparent in the final quarter of 2021/22 that waste volumes had started to moderate and even decline - this trend has been sustained in the first part of this financial year with waste officers reporting that volumes have returned to pre-Covid levels. As a result, the increased budget provision of £800k is not required and results in the budget being underspent.

3. Traffic & Road Safety Dr £229k

As had been reported throughout the last financial year, the situation regarding TfL funding of the Council's LIP capital programme and the staff engaged to deliver schemes continues to remain uncertain. Although the service are retaining vacancies as mitigation against this loss of funding, there is a monthly net funding gap of c£73k on this revenue budget, with the accumulated deficit to the end of August totalling £365k. While a longer term funding settlement for TfL is still awaited, the Council has received interim LIP funding so far this year of £136k, resulting in a net deficit to date of £229k. However, as there is no further funding for the remainder of the year or the amount of funding is insufficient, this variation will increase. The Assistant Director of Traffic & Parking continues to work closely with TfL to understand the situation for future funding and mitigating action will be prepared including a full service redesign.

Parking

4. Income from Bus Lane Contraventions Cr £200k

As has been reported previously, traffic levels have been down compared to pre-Covid levels and this income budget underachieved by £224k in 2021/22. This trend has continued in the first quarter of 2022/23, and projected to be c£200k under budget again this year.

5. Off/On Street Car Parking Cr £50k

Since April 2020, use of on and off street car parking spaces has been severely affected by the impact of the Covid pandemic on town centre activity and changes in commuting habits. These changes have persisted into this financial year with the wider economic uncertainty seemingly contributing to ongoing difficult trading conditions for town centres.

Although the overall budget target has been reduced by £1m since 2020, income from parking is projected to underachieve by a further £750k in 2022/23 based on activity in the first part of this financial year, with income from off street and multi-storey parking continuing to be most affected.

However, in setting the budget for 2022/23, the Executive took into account the risk of possible continuing losses and set aside a further provision of £500k in the Central Contingency budget. Subject to Executive's agreement, this amount has now been drawn down to the Parking income budget. As a result, the deficit on this income budget reduces from £750k to £250k.

Mitigating these income losses, the amount that the Council receives from RingGo fees continues to be buoyant reflecting the increased use of this payment method.

Summary of variations within Off/On Street Car Parking

Total
£'000
27

Off/On Street Car Parking income	750
Central Contingency budget adjustment	Cr 500
Revised Off/On Street Car Parking income	250
Less additional RingGo fees	Cr 300
Total variations within Off/On Street Parking	Cr 50

6. Car Parking Enforcement Dr £1,650k

As reported in previous monitoring in 2021/22, since the introduction of enforcement of moving traffic contraventions in October 2021, the actual number of tickets issued has been significantly lower than anticipated. Officers believe that this has been the result of a lower volume of traffic compared to the pre-Covid survey numbers, as well as potential issues with the efficacy of the new cameras. This issue was investigated by officers and have since engaged with the contractor resulting in some improvement in camera performance.

However, the actual number of PCN's issued in 2022/23 - although higher than in 2021/22 - has remained lower than original expectations, which officers believe is due mainly to a reduction in traffic congestion meaning fewer vehicles are contravening yellow box junctions. Therefore, the shortfall for the year at this stage is projected to be £1,650k.

7. Parking Shared Service Cr £250k

There is a net projected underspend of £250k for the Parking Shared Service mainly due to underspends on staffing as a result of vacancies across both boroughs as well as a reduction in the number of agency staff employed.

8. Traffic Committee for London fees Cr £50k

There was an underspend of £57k on this budget in 2021/22 and a similar variation is anticipated this year.

Summary of overall variations within Parking:

	£'000
Bus Routes Enforcement	200
On/Off Street Car Parking (net of Contingency budget adjustment)	Cr 50
Car Parking Enforcement	1,650
Parking Shared Services	Cr 250
Traffic Committee for London fees	Cr 50
Total variation for Parking	<u>1,500</u>

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 Subcommittee bi-annually. Since the last report to the Executive, no waivers over £50k 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

2021/22 Actuals £'000	Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	Public Protection							
371	Community Safety	427	427	427	0		0	0
161	Emergency Planning	146	146	156	10	1	0	0
548	Mortuary & Coroners Service	603	603	623	20	2	0	0
1,466	Public Protection	1,469	1,469	1,459	-17	3	0	0
2,546	TOTAL CONTROLLABLE	2,645	2,645	2,665	13		0	0
617	TOTAL NON CONTROLLABLE	6	6	6	0		0	0
836	TOTAL EXCLUDED RECHARGES	811	811	811	0		0	0
3,999	PORTFOLIO TOTAL	3,462	3,462	3,482	13		0	0

Reconciliation of Latest Approved Budget

£'000

Original Budget 2022/23

3,462

Carry Forward Requests approved from 2021/22

Latest Approved Budget for 2022/23

3,462

REASONS FOR VARIATIONS

1. Emergency Planning Dr £10k

This projected overspend relates to the anticipated additional cost of emergency response standby allowances for the year.

2. Mortuary & Coroners Service Dr £20k

Major renovations to the mortuary facilities at the Princess Royal University Hospital have just started and phase 1 will not be completed until December, meaning that post-mortems will instead be conducted in Denmark Hill. With finite facilities at this alternative site, a backlog is anticipated. As bodies will remain in storage for longer, the Council will inevitably incur additional costs.

3. Public Protection Cr £17k

A number of underspends totalling £139k are projected across Public Protection budgets, as follows.

Staffing costs are anticipated to be £39k under budget, with the main variation in respect of Trading Standards.

The cost of the Science Investigation Programme this year is expected to be £23k under budget and, similarly, City of London inspections are projected to be £11k underspent.

Income from licencing of Houses in Multiple Occupation is projected to overachieve this year by £66k.

Officers have commenced an exercise to upgrade the Department's line of business system from Uniform to Idox Cloud. A contract has been awarded recently which will require one-off implementation costs of £122k to be funded. This will be met from the revenue budget underspends already identified this year.

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 Subcommittee bi-annually. Since the last report to the Executive, no waivers over £50k 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.

Renewal, Recreation & Housing Budget Monitoring Summary

2021/22 Actuals £'000	Division Service Areas	2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	PLACE DEPARTMENT							
	Planning							
99	Building Control	90	90	334	244	1	0	0
Cr 128	Land Charges	Cr 126	Cr 126	Cr 126	0		0	0
1,707	Planning	1,493	1,703	1,703	0		0	0
1,678		1,457	1,667	1,911	244		0	0
	Culture & Regeneration							
908	Culture	830	1,017	1,017	0		0	0
4,649	Libraries	4,873	4,927	4,927	0		0	0
23	Economic Development	80	189	189	0		0	0
5,580		5,783	6,133	6,133	0		0	0
	Operational Housing							
877	Supporting People	1,070	1,070	926	Cr 144	2	0	Cr 94
6,406	Allocations and Accommodation	4,295	4,295	4,740	445	3	0	Cr 214
Cr 175	Housing Improvement	Cr 30	Cr 30	Cr 47	Cr 17	4	0	0
1,488	Housing Options and Support	2,006	2,006	1,983	Cr 23	5	0	0
1,314	Housing Strategy, Advice and Enabling	1,460	1,460	1,548	88	6	0	0
Cr 1,089	Housing Benefits	Cr 1,539	Cr 1,539	Cr 1,539	0		0	0
8,821		7,262	7,262	7,611	349		0	Cr 308
8,821	Total Controllable	14,502	15,062	15,655	593		0	Cr 308
2,141	TOTAL NON CONTROLLABLE	Cr 883	Cr 883	Cr 883	0		0	0
5,555	TOTAL EXCLUDED RECHARGES	5,627	5,627	5,627	0		0	0
16,517	TOTAL RR & H PORTFOLIO TOTAL	19,246	19,806	20,399	593		0	Cr 308

Reconciliation of Latest Approved Budget

£'000

Original budget 2022/23

19,246

Carry Forward Requests approved from 2021/22

Rough Sleepers Initiative Grant expenditure		228
Rough Sleepers Initiative Grant income	Cr	228
Homelessness Reduction Grant		89
Homelessness Reduction Grant	Cr	89
New Burdens Funding Grant expenditure		124
New Burdens Funding Grant income	Cr	124
Local Plan Implementation		120

Central Contingency Adjustments

Accommodation for Ex-Offenders expenditure		70
Accommodation for Ex-Offenders income	Cr	70
Rough Sleepers Initiative Grant expenditure		455
Rough Sleepers Initiative Grant income	Cr	455
Norman Park grant		151
Libraries contract inflation		54
Resources to address Planning minor applications backlog		90
Funding of Economic Development posts		109
Local London membership subscription		36

Other

Local Plan Review funded from Growth Fund		
- expenditure		600
- income	Cr	600

Latest Approved Budget for 2022/23

19,806

REASONS FOR VARIATIONS

1. Building Control Dr £244k

For the chargeable service, an income deficit of £270k is projected based on actual income so far this year. The Head of Building Control is undertaking a review of fees and charges to ensure the service complies with Building Account Regulations, which requires that the service operates on a full cost recovery basis (i.e. does not make a surplus or is subsidised on an ongoing basis). Revised charges are expected to be introduced later in the year and, assuming they come into force from October, should generate additional income of, say, £26k in the remainder of the year, reducing the projected income deficit for the year to £244k. In accordance with the Regulations, any surplus or deficit in year is charged to or funded from the Building Control Charging Account earmarked reserve, and would leave a total deficit balance of £266k to recover from income in future years.

2. Supporting People Cr £144k

A £144k underspend is currently forecast in the Supporting People area mainly as a result of procurement exercises during 2021/22 and 2022/23 containing costs within inflation that had accumulated in the budget whilst the previous contracts had been fixed for a number of years.

3. Allocations and Accommodation Dr £445k

There is currently a forecast overspend of £1,708k in the Temporary Accommodation before projected savings from increasing the supply of affordable housing. For this round of budget monitoring the number of Households in Temporary Accommodation was 1,073. It is currently expected that this will increase to 1,203 by the end of the financial year, at an average cost of around £6,323 per household per annum.

These figures exclude other schemes like More Homes Bromley, Orchard & Shipman, ex-residential care homes, and the Bromley Private Sector Leasing Scheme. Once these client numbers have been included there are currently over 1,400 households in Temporary Accommodation.

Transformation savings totalling £1,286k have been identified for 2022-23 with the following schemes planned to be completed to provide a longer term alternative to expensive nightly paid accommodation. Meadowship Homes £1,043k, Burnt Ash Lane £91k, Bushell Way £109k and Anerley Town Hall car park £43k. The Full Year Effect of these savings is estimated at around £2.1m.

There is also currently a forecast overspend on salaries of £23k. This is due mainly to the cost of funding two short term posts to meet the additional work load created by the new schemes. There are some vacancies within the service which are partly offsetting this additional cost.

	£'000
Summary of overall variations within Allocations and Accommodation:	
Temporary Accommodation	1,708
Transformation Savings	Cr 1,286
Salaries	23
Total variation for Allocations and Accommodation	<u>445</u>

4. Housing Improvement Cr £17k

In year vacancies during a period of recruitment are expected to result in an underspend of £17k.

5. Housing Options and Support Cr £23k

There are a number of vacancies within the service and some posts are difficult to fill. Temporary posts have been created to try and address this. The current projected underspend is £23k.

The Travellers budget has been realigned during the 2022-23 budget setting process and this should reduce some of the previous variances including the running costs and fee income. The Traveller Site Manager post continues to be difficult to fill and may result in an in-year underspend on salaries.

6. Housing Strategy, Advice and Enabling Dr £88k

There are three posts within the service which are unfunded. Options to address this are being reviewed.

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 Subcommittee 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.

Resources, Commissioning & Contracts Management Portfolio Budget Monitoring Summary

2021/22 Actuals		2022/23 Original Budget £'000	2022/23 Latest Approved £'000	2022/23 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	CHIEF EXECUTIVE'S DEPARTMENT							
	FINANCIAL SERVICES DIVISION							
248	Director of Finance & Other	251	251	251	0		0	0
7,349	Exchequer - Revenue & Benefits	6,109	6,109	6,109	0		0	0
477	Exchequer - Payments & Income	2,163	2,163	2,163	0		0	0
1,678	Financial Accounting	657	657	657	0		0	0
799	Management Accounting	1,760	1,760	1,760	0		0	0
	Audit	831	865	865	0		0	0
10,551	Total Financial Services Division	11,771	11,805	11,805	0		0	0
	CORPORATE SERVICES DIVISION							
5,818	Information Systems & Telephony	6,017	6,750	6,750	0		0	0
	Legal Services & Democracy							
407	Electoral	1,079	1,126	1,126	0		0	0
1,339	Democratic Services	1,514	1,548	1,548	0		0	0
167	Mayoral	173	173	173	0		0	0
2,917	Legal Services	2,209	2,379	2,879	500	1	0	0
569	Procurement and Data Management	545	545	545	0		0	0
184	Management and Other (Corporate Services)	220	220	220	0		0	0
11,401	Total Corporate Services Division	11,757	12,741	13,241	500		0	0
	HR AND CUSTOMER SERVICES DIVISION							
1,899	Human Resources	2,210	2,210	2,210	0		0	0
317	Learning and Development	147	147	147	0		0	0
	Customer Services							
1,134	Contact Centre	1,172	1,172	1,172	0		0	0
Cr 139	Registration of Births, Deaths & Marriages	Cr 120	Cr 120	Cr 120	0		0	0
225	CE - Consultation & Communication	305	317	317	0		0	0
3,436	Total HR & Customer Services Division	3,714	3,726	3,726	0		0	0
	CHIEF EXECUTIVE'S DIVISION							
796	Management and Other (C. Exec)	903	903	903	0		0	0
796	Total Chief Executive's Division	903	903	903	0		0	0
	CENTRAL ITEMS							
1,179	CDC & Non Distributed Costs (Past Deficit etc.)	1,284	1,284	1,284	0		0	0
9,475	Concessionary Fares	5,972	5,972	5,972	0		0	0
36,838	TOTAL CONTROLLABLE CE DEPT	35,401	36,431	36,931	500		0	0
675	TOTAL NON CONTROLLABLE	3,242	3,242	3,242	0		0	0
Cr 17,324	TOTAL EXCLUDED RECHARGES	Cr 17,569	Cr 17,569	Cr 17,569	0		0	0
20,189	TOTAL CE DEPARTMENT	21,074	22,104	22,604	500		0	0
	CHILDREN, EDUCATION AND FAMILIES DEPARTMENT							
	Strategy and Corporate Projects							
229	Commissioning	232	232	232	0		0	0
2,126	Strategy, Performance and Engagement	1,831	1,831	1,831	0		0	0
2,355	TOTAL CONTROLLABLE CEF DEPT	2,063	2,063	2,063	0		0	0
300	TOTAL NON CONTROLLABLE	4	4	4	0		0	0
Cr 2,956	TOTAL EXCLUDED RECHARGES	Cr 2,129	Cr 2,129	Cr 2,129	0		0	0
Cr 301	TOTAL CEF DEPARTMENT	Cr 62	Cr 62	Cr 62	0		0	0
	ENVIRONMENT & COMMUNITY SERVICES DEPARTMENT							
	Total Facilities Management							
1,949	Admin Buildings & Facilities Support	1,678	2,990	2,990	0		0	0
280	Investment & Non-Operational Property	311	311	311	0		0	0
364	Strategic & Operational Property Services	962	962	962	0		0	0
1,510	TFM Client Monitoring Team	1,694	1,694	1,694	0		0	0
Cr 1,350	Other Rental Income - Other Portfolios	Cr 1,582	Cr 1,582	Cr 1,582	0		0	0
4,006	Repairs & Maintenance (All LBB)	3,314	3,314	3,314	0		0	0
6,759	TOTAL CONTROLLABLE ECS DEPT	6,377	7,689	7,689	0		0	0
84	TOTAL NON CONTROLLABLE	359	359	359	0		0	0
Cr 4,438	TOTAL EXCLUDED RECHARGES	Cr 4,361	Cr 4,361	Cr 4,361	0		0	0
Cr 1,869	Less: R&M allocated across other Portfolios	Cr 1,628	Cr 1,628	Cr 1,628	0		0	0

1,350	Less: Rent allocated across other Portfolios	1,582	1,582	1,582	0	0	0
1,886	TOTAL ECS DEPARTMENT	2,329	3,641	3,641	0	0	0
21,774	TOTAL RCCM PORTFOLIO	23,341	25,683	26,183	500	0	0

Reconciliation of Latest Approved Budget £'000
Original budget 2022/23 23,341

Carry Forward Requests approved from 2021/22

Local Digital Cyber Fund expenditure	100	
Local Digital Cyber Fund income	-100	
Audit Support	34	
Members IT	34	68

Central Contingency Adjustments

Energy contract (part year)	1,312
Local election May 2022	47
Legal Support – children's and adults social care	170
Inflation	12
IT contract procurement	653
Resources to support GDPR compliance	80

Other Budget Movements

Latest Approved Budget for 2022/23 25,683

REASONS FOR VARIATIONS

1. Legal Services Dr £500k

The Legal services overspent by £596k in 2021/2, which was largely due to increased spending on counsel fees. The indications this year are that demand for use of counsel is similar, particularly in respect of childcare cases. The Assistant Director for Legal Services has provided the following narrative:

Legal services is a demand led service and in recent years there has been an upward trend in childcare cases issued by the local authority, and the courts are listing more hearings per case. This has therefore increased spend on counsel, however, the legal budget for counsel has not increased to accommodate for this upward cost pressure. Although the in-house team carry out advocacy to mitigate spend on counsel, they are required to focus on case work.

The court bundle lists indicate that in year 2019-20 there were circa 380 hearings. In 2020/21, there was an increase to circa 510 hearings which, whilst not unprecedented, is a significant rise on the previous year. In 2021/22, the figure was circa 420. Between April 2021 and April 2022, to counter external spend, the team has carried out circa 116 hearings in-house, and the team continues to face complex and lengthy cases (for example, an ongoing case ran for 14 days in court and on another case, the Local Authority were requested by the Judge to appoint a senior counsel). The team has also had to deal with an increasing number of DOLS (Deprivation of Liberty) cases. As an example, there have been 15 hearings on one young person's matter. The court identified an issue with cases having a large number of CMH (Case Management hearings). In May 2021, 30 LBB cases were so flagged with one case having had 17 hearings at that point and another 14.

The Planning Litigation and Licensing Legal team has also overspent on the budget for counsel's fees. These cases involve planning inquiries before an Inspector, advice concerning planning enforcement action, civil litigation including judicial and statutory review in the Administrative and Planning Court, an application to the Court of Appeal and criminal litigation including attendance at the Crown Court. Some of these cases are complex necessitating the instruction of senior Counsel to ensure the best outcome. In particular, an application for an injunction (and subsequent committal proceedings) in respect of breaches of planning control for land at the junction of Sevenoaks Road and Wheatsheaf Hill, Halstead has attracted a high profile where the service had to instruct a junior and senior counsel to represent the Council in court. It should be noted that the in-house team do not have right of audience at High Court, Court of Appeal and Crown Courts and therefore need to instruct counsel.

Due to the increased instructions to legal services on contracts, contract disputes, housing, regeneration, education capital projects and commercial property-related matters arising, the Legal commercial team has had to engage locum lawyers in order to meet the increased demand, thereby putting pressure on the staffing budget.

The Director of Corporate Services and Governance has issued a new procedure for instructing counsel for service directors to agree. This includes putting in measures to control expenditure on counsel and giving service departments more ownership of expenditure relating to their cases. The Director of Corporate Services and Governance will also oversee a review of Legal services to look at the work of the service, budget and resourcing requirements.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Subcommittee 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.

Allocation of Contingency Provision for 2022/23

Item	Original Contingency Provision	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						
Provision for Unallocated Inflation	3,977,000		2,462,000	515,000	2,977,000	Cr 1,000,000
Increase in Cost of Homelessness/Impact of Welfare Reforms	1,825,000			500,000	500,000	Cr 1,325,000
Provision for increase in employer national insurance-outsourced services	910,000			0	0	Cr 910,000
General Provision for Risk/Uncertainty	3,500,000			1,000,000	1,000,000	Cr 2,500,000
Provision for Risk/Uncertainty Relating to Volume & Cost Pressures	2,871,000			0	0	Cr 2,871,000
Growth for Waste Services	187,000			0	0	Cr 187,000
Universal Credit roll out - Claimant Fault Overpayment Recoveries	750,000			0	0	Cr 750,000
Deprivation of Liberty	118,000			0	0	Cr 118,000
Building Infrastructure Fund	2,000,000			2,000,000	2,000,000	0
Provision for potential loss of car park income	500,000		500,000	0	500,000	0
Property income recovery/rent variations	500,000		500,000	0	500,000	0
Legal support - children and adults social care	170,000		170,000	0	170,000	0
Provision of agency workers contract saving	Cr 260,000			Cr 260,000	Cr 260,000	0
Planning Application backlog	0		90,000	0	90,000	90,000
Economic Development posts	0		109,000	0	109,000	109,000
Norman Park	0		151,000	0	151,000	151,000
Local London Membership	0		36,000	0	36,000	36,000
Local election	0		47,000	0	47,000	47,000
IT contract procurement	0		989,000	0	989,000	989,000
SARS	0		80,000	0	80,000	80,000
Additional social workers re caseloads (£2m to a reserve)	0		2,400,000	0	2,400,000	2,400,000
Temporary increase in CIN social workers (COVID related)	0		250,000	0	250,000	250,000
Adult Care & Health Portfolio						
Better Care Fund						
Grant Related Expenditure			402,000	0	402,000	402,000
Grant Related Income		Cr	402,000	0	Cr 402,000	Cr 402,000
Improved Better Care Fund						
Grant Related Expenditure			227,000	0	227,000	227,000
Grant Related Income		Cr	227,000	0	Cr 227,000	Cr 227,000
Public Health Grant						
Grant Related Expenditure			427,000	0	427,000	427,000
Grant Related Income		Cr	427,000	0	Cr 427,000	Cr 427,000
ICS funding						
Grant Related Expenditure			3,916,000	612,000	4,528,000	4,528,000
Grant Related Income		Cr	3,916,000	Cr 612,000	Cr 4,528,000	Cr 4,528,000
King's funding for SPA						
Grant Related Expenditure			500,000	0	500,000	500,000
Grant Related Income		Cr	500,000	0	Cr 500,000	Cr 500,000
Market Sustainability and Fair Cost of Care Fund						
Grant Related Expenditure			804,000	0	804,000	804,000
Grant Related Income		Cr	804,000	0	Cr 804,000	Cr 804,000
Charging Reform Implementation Support Grant						
Grant Related Expenditure			104,000	0	104,000	104,000
Grant Related Income		Cr	104,000	0	Cr 104,000	Cr 104,000
Children, Education and Families						
SEND Transport Growth	1,000,000			1,000,000	1,000,000	0
Renewal, Recreation & Housing						
Property Valuation	100,000			100,000	100,000	0
Planning Appeals - change in legislation	60,000			60,000	60,000	0
Accommodation for Ex-Offenders						
Grant Related Expenditure			70,000	0	70,000	70,000
Grant Related Income		Cr	70,000	0	Cr 70,000	Cr 70,000
	18,208,000		0	7,784,000	4,915,000	12,699,000
Grants included within Central Contingency Sum						
Rough Sleeping Initiative						
Grant Related Expenditure	104,000		455,000	0	455,000	351,000
Grant Related Income	Cr 104,000		Cr 455,000	0	Cr 455,000	Cr 351,000
Homeless Prevention Initiatives						
Grant Related Expenditure	424,000			424,000	424,000	0
Grant related Income	Cr 424,000			Cr 424,000	Cr 424,000	0
Tackling Troubled Families						
Grant Related Expenditure	628,000			628,000	628,000	0
Grant related Income	Cr 628,000			Cr 628,000	Cr 628,000	0
TOTAL CARRIED FORWARD	18,208,000		0	7,784,000	4,915,000	12,699,000
						Cr 5,509,000

Allocation of Contingency Provision for 2022/23 (continued)

Item	Carried Forward from 2021/22	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	18,208,000	0	7,784,000	4,915,000	12,699,000	Cr 5,509,000	
Items Carried Forward from 2021/22							
Adult Care & Health Portfolio							
Social Care Funding via the CCG under S75 Agreements							
Improved Better Care Fund							
- Expenditure	2,597,185		2,597,185		2,597,185	0	
- Income	Cr 2,597,185		Cr 2,597,185		Cr 2,597,185	0	
Better Care Fund 2021/22							
- Expenditure	82,975		82,975		82,975	0	
- Income	Cr 82,975		Cr 82,975		Cr 82,975	0	
Public Health							
- Expenditure	1,964,209		1,964,209		1,964,209	0	
- Income	Cr 1,964,209		Cr 1,964,209		Cr 1,964,209	0	
Winter Resilience Funding							
- Expenditure	400,000		0		400,000	(1) 0	
- Income	Cr 400,000	Cr 400,000	0		Cr 400,000	0	
Renewal, Recreation & Housing Portfolio							
Rough Sleepers Initiative							
- Expenditure	227,635		227,635		227,635	0	
- Income	Cr 227,635		Cr 227,635		Cr 227,635	0	
New Burdens Funding Grant							
- Expenditure	123,919		123,919		123,919	0	
- Income	Cr 123,919		Cr 123,919		Cr 123,919	0	
Homelessness Reduction Grant							
- Expenditure	89,000		89,000		89,000	0	
- Income	Cr 89,000		Cr 89,000		Cr 89,000	0	
Children, Education and Families Portfolio							
Virtual School CIN Grant							
- Expenditure	62,806		62,806		62,806	0	
- Income	Cr 62,806		Cr 62,806		Cr 62,806	0	
Virtual School PLAC Grant							
- Expenditure	92,669		92,669		92,669	0	
- Income	Cr 92,669		Cr 92,669		Cr 92,669	0	
Tackling Troubled Families Grant							
- Expenditure	334,051		334,051		334,051	0	
- Income	Cr 334,051		Cr 334,051		Cr 334,051	0	
Deed Settlement for Hawes Down Site							
- Expenditure	12,119		12,119		12,119	0	
- Income	Cr 12,119		Cr 12,119		Cr 12,119	0	
Resources, Commissioning and Contracts Portfolio							
Local Digital Cyber Fund							
- Expenditure	100,000		100,000		100,000	0	
- Income	Cr 100,000		Cr 100,000		Cr 100,000	0	
General							
Shared Lives Transformation posts	100,000	100,000	0	0	100,000	(1) 0	
Members IT	34,000		34,000	0	34,000	0	
Local Plan Implementation	120,000		120,000	0	120,000	0	
Audit Support	34,000		34,000	0	34,000	0	
Broadband at Poverest	6,103		6,103	0	6,103	0	
EIFS waiting list and volumes	90,000		90,000	0	90,000	0	
MOPAC Choices grant	75,000		75,000	0	75,000	0	
Wellbeing for Education	5,821		5,821	0	5,821	0	
Total Carried Forward from 2020/21	464,924	100,000	364,924	0	464,924	0	
GRAND TOTAL	18,672,924	100,000	8,148,924	4,915,000	13,163,924	Cr 5,509,000	

Notes:

(1) Portfolio Holder for Adult Care and Health, 22nd March 2022

Description	2022/23 Latest Approved Budget £'000	Variation To 2022/23 Budget £'000	Potential Impact in 2023/24
Housing Needs - Temporary Accommodation	5,990	Cr 214	The full year effect of Temporary Accommodation is currently estimated to be £1,929k. This will be reduced by planned transformation savings totalling £2,143k which have been identified for 2023-24 to provide a longer term alternative to expensive nightly paid accommodation. 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.
Assessment and Care Management - Care Placements	28,203	847	The full year impact of the current overspend is estimated at £821k . Of this amount £257k relates to residential and nursing home placements for 65+ and £564k for 18-64's. Domiciliary care & direct payments for both age groups is broadly on budget overall. This is based on client numbers as at the end of May.
Learning Disabilities - including Care Placements, Transport and Care Management	42,273	97	The full year effect (FYE) is estimated at a net overspend of £255k. This figure is below than the in-year overspend as demand-related growth pressures, for example transition and increased client needs, have only a part year impact in 2022/23 but a greater financial impact in a full year. Given the early stage in the financial year and the uncertainties that remain in relation to the delivery of savings and the transition cohort, the FYE is likely to change as the year progresses and things become clearer.
Mental Health - Care Placements	6,265	169	A full year overspend of £45k is anticipated on Mental Health care packages , with residential , nursing and supported living placements £33k overspent and domiciliary care and direct payments £12k overspent.
Supporting People	1,070	Cr 144	The full year effect of Supporting People is currently estimated to be a credit of £94k. This is a result of the estimated savings from retendering of the contracts that has taken place.
Children's Social Care	42,446	1,874	The overall full year effect of the Children's Social Care overspend is a net £5,910k, analysed as Residential Care, Fostering and Adoption of £4,329k and on Leaving Care costs of £1,581k.
SEN Transport	6,505	1,282	The current full year effect for SEN Transport - based on the current routes - is £1,282k.
Waste Services	20,463	Cr 800	The previously approved budget increase in respect of increased waste volumes is no longer required resulting in a full year budget reduction of £800k.
Moving Traffic Contraventions		1,650	The actual number of PCN's issued in 2022/23 has remained lower than original expectations, which officers believe is due mainly to a reduction in traffic congestion meaning fewer vehicles are contravening yellow box junctions. The full year reduction in income is estimated at c£1m.

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 March 2022 £000	Service	Income £000	Expenditure £000	Transfers to/(from) Capital £000	Actual as at 31st March 2023 £000
<u>Revenue</u>					
233	Highway Improvement Works				233
30	Road Safety Schemes				30
8	Local Economy & Town Centres				8
70	Parking				70
0	Education				-
1,445	Healthcare Services				1,445
10	Community Facilities				10
443	Other				443
2,239		0	0	-	2,239
<u>Capital</u>					
5,078	Education				5,078
20	Highways				20
2,452	Housing				2,452
686	Local Economy & Town Centres				686
0	Other				-
8,236		0	0	-	8,236
10,475		0	0	0	10,475