

| Public Accounts Select Committee | | | |
|---|---|-----------------|--------------------------------|
| REPORT TITLE | Financial Forecasts 2019/20 | | |
| KEY DECISION | No | Item No. | |
| WARD | N/A | | |
| CONTRIBUTOR | Executive Director for Corporate Services | | |
| CLASS | Part 1 | Date | 16 th December 2019 |

1. EXECUTIVE SUMMARY

- 1.1 This report sets out the financial forecasts for 2019/20 as at 31st October 2019, noting any exceptional items to the end of November 2019. The key areas to note are as follows:
- i. There is a forecast overspend of £5.4m against the directorates' net general fund revenue budget. This is set out in more detail in sections five to nine of this report. The main budget pressures are in the Children's & Young People and the Housing, Regeneration & Environment directorates.
 - ii. The Dedicated Schools Grant (DSG) is expected to balance at the year end. There are nine schools with loans totaling £2.4m. This is set out in more detail in section 10 of this report.
 - iii. The Housing Revenue Account (HRA) is currently projecting a balanced budget position. This is set out in more detail in section 11 of this report.
 - iv. As at 31st October 2019, some 58.7% of council tax due and 69.2% of business rates due had been collected. At this point last year, 58.8% of council tax due and 71.6% of business rates due had been collected. This is set out in more detail in section 12 of this report.
 - v. The Capital Programme spend as at 31st October 2019 is £62.9m, which is 37% of the revised 2019/20 budget of £170.1m. At this point last year, 26% of the revised budget had been spent, with the final outturn being 82% (£71.1m) of the revised budget of £87.0m. This has been set out in more detail in section 13 of this report and the appended documents.

2. PURPOSE

- 2.1 The purpose of this report is set out the financial forecasts for 2019/20 as at the end of October 2019, noting any exceptional items to the end of November 2019, and projected to the year end.

3. RECOMMENDATIONS

- 3.1 This report is for internal purposes only at this stage the Public Accounts Select Committee is asked to:

3.1.1 Note the current financial forecasts for the year ending 31 March 2020 and the action being taken by the Executive Directors to manage down the forecasted year-end overspend;

4. POLICY CONTEXT

4.1 This financial position demonstrates the impact of the very severe financial constraints which have been imposed on Council services with the cuts made year on year, despite the increasing demand to deliver services to the borough's residents.

4.2 The information set out in the body of this report is consistent with the delivery of the Council's corporate priorities (contained within the new Corporate Strategy 2018-22), and is particularly relevant to the Council's strong and resilient framework for prioritising action has assisted the organisation in the face of austerity and on-going cuts to local government spending. This continues to mean, that even with the prospect of the most daunting financial challenges facing the Council and its partners, the Council continues to work alongside our communities to achieve more than it could by simply working alone.

5. DIRECTORATE FORECAST OUTTURN

5.1 The forecasts against the directorates' general fund revenue budgets are shown in Table 1 below. In summary, a forecast year end overspend of £5.4m is being reported as at the end of October 2019. At the same time last year, an overspend of some £10.7m was forecast.

Table 1 – Overall Directorate position for 2019/20

| Directorate | Gross budgeted spend | Gross budgeted income | Net budget 2019/20 | Forecast over/ (under) spend October 2019 | Forecast over/ (under) spend July 2019 |
|-------------------------------------|----------------------|-----------------------|--------------------|---|--|
| | £m | £m | £m | £m | £m |
| Children & Young People (1) (3) | 68.7 | (9.8) | 58.9 | 3.7 | 3.2 |
| Community Services | 177.6 | (85.9) | 91.7 | (2.3) | (2.2) |
| Housing, Regeneration & Environment | 119.8 | (85.1) | 34.6 | 2.6 | 2.1 |
| Corporate Services (2) | 62.2 | (28.2) | 34.0 | 1.4 | 0.9 |
| Directorate Totals | 427.9 | (208.5) | 219.4 | 5.4 | 4.0 |
| Corporate Items | 23.6 | (0.0) | 23.6 | 0.0 | 0.0 |
| Net Revenue Budget | 451.5 | (208.5) | 243.0 | 5.4 | 4.0 |

(1) – gross figures exclude £290m Dedicated Schools' Grant expenditure and matching grant income

(2) – gross figures exclude approximately £213m of matching income and expenditure for housing benefits.

(3) – includes £5.4m of once-off funding for 2019/20 to be reviewed in 2020/21

6. CHILDREN AND YOUNG PEOPLE'S SERVICES

6.1 As at the end of October 2019, there is an anticipated overspend of £3.7m for the Children and Young People's Directorate. This is an increase of £0.5m from the July position and arises mainly as a result of additional costs of residential care.

Table 2 – Children & Young People Directorate

| Service Area | Gross budgeted Spend | Gross budgeted income – including grants* | Net budget | Forecast Outturn for 2019/20 | Forecast over/ (under) spend October 2019 | Forecast Outturn as at the end of July 2019 |
|------------------------------------|----------------------|---|-------------|------------------------------|---|---|
| | £m | £m | £m | £m | £m | £m |
| Children’s Social Care | 43.7 | (0.9) | 42.8 | 44.5 | 1.7 | 1.2 |
| No Recourse to Public Funds | 4.0 | (0.0) | 4.0 | 3.0 | (1.0) | (1.0) |
| Education, Standards and Inclusion | 11.4 | (1.7) | 9.7 | 11.6 | 1.9 | 1.9 |
| Joint Commissioning and Early Help | 9.8 | (5.5) | 4.3 | 5.4 | 1.1 | 1.1 |
| Schools | 0.0 | (1.7) | (1.7) | (1.7) | 0.0 | 0.0 |
| Total | 68.9 | (9.8) | 59.1 | 62.8 | 3.7 | 3.2 |

* The government grants include the Adoption Reform Grant, SEND reform grant, Troubled Families grant.

* The budget has increased by £0.2m as a result of the transfer from Corporate Services in respect of the Tribal system budget which was formerly a part of the IMT budget.

6.2 Children’s Social Care

- 6.2.1 The largest areas of spend within the Children’s Social Care budget are on children’s placements (£30m), and staffing (£17m). At the time of writing, the placements budget is forecasting an overspend of £0.5m, compared to a forecasted balanced budget as at the end of July 2019. This appears to be due to a net increase of fifteen placements in residential care since July. The costs per residential placement are high. A deep dive analysis is being undertaken to establish whether any costs are very short term (seasonal non-availability of foster carers, short term arrangements for UASCs) or whether these are new, longer term commitments. Gatekeeping panels are in place to reduce numbers coming into care and reduce escalation to high cost placements, but the complexity of cases is also increasing.
- 6.2.2 Current spending against the staffing budget suggests that a balanced budget will be achieved at the end of the financial year. The service has reviewed its staffing structure with a view to remaining within the available budget going forward. It should be noted however that a budget pressure on the service arises from work to maintain/increase the pace of improvement following the recent Ofsted inspection of Children’s Social Care. Initial proposals were considered by the CSC Improvement Board and have been taken away to be worked up further. This will need to be considered as a part of the wider Council budget strategy.
- 6.2.3 With regard to placements of children looked after, the table below shows placement numbers for four months, i.e. the last one month of 2018/19 and the latest three months of the new financial year, 2019/20. The information is based on figures obtained from the Commissioning and Performance teams and is under continuous review to improve accuracy and consistency.

Table 3 – Looked After Children

| Looked After Children and care leavers Placement Numbers (Average) | | | | |
|--|--------------|--------------|----------------|--------------|
| | July 2019 | August 2019 | September 2019 | October 2019 |
| LA Fostering (including kinship) | 167 | 168 | 164 | 162 |
| Agency Fostering | 197 | 192 | 189 | 190 |
| Residential Children's Homes | 46 | 52 | 58 | 61 |
| Semi-Independent placements | 39 | 42 | 42 | 42 |
| Leaving Care 18+ | 333 | 326 | 343 | 336 |
| Special Guardianship Orders | 219 | 223 | 222 | 224 |
| Total | 1,001 | 1,003 | 1,018 | 1,015 |

6.2.4 In 2019/20, the other *Children's Social Care* budgets (ie non-salaries and placements) are forecast to be overspent by £1.2m. As in previous years, this is partially offset by a £1m underspend in the budget for No Recourse to Public Funds, leaving a net overspend of £0.2m.

6.2.5 The *No Recourse to Public Funds* service has significantly reduced the number of households that are being provided with support from 100 cases in April 2018, to 78 at the end of the last financial year. The vast majority of cases closed are because households have regularised their immigration status which provides them with recourse to public funds. This resulted in an underspend of approximately £1m as at the end of the last financial year, 2018/19 and current activity suggests that this level of underspend is expected to continue. The Section 17 budget, which includes non-housing NRPF spend, is a demand led budget and experiencing a pressure of £0.6m. This will need to be reviewed as part of the CSC budget setting process. This review should also aim to net off pressures on the budgets for Legal Fees of £0.2m and Looked After Children 'additional extras' of £0.4m.

The net effect of this is a pressure of £0.2m. This is the same as the position reported as at the end of July 2019 although further investigations have identified a more accurate split.

6.3 *Education Services*

6.3.1 The main cost pressure within the *Education Services* division relates to SEN transport with a projected overspend of £2.0m. The overspend is consistent with the position for the previous two financial years. Consistent with the national position, the Council has experienced an increase in the numbers of pupils with Education, Health and Care Plans (EHCPs) while succeeding in decreasing the percentage of EHCP children on SEND transport. The Education Psychology (EP) and Specific Learning Difficulties (SPLD) team has pressure on the salary budget of £0.4m due to demand in the service, but this is alleviated by underspends in Young People Relate service of £0.2m and Business Support and School Improvement recruitment lag totalling £0.2m.

6.3.2 Officers continue to progress work to manage demand. A review into the Council's use of transport is being undertaken this year. This review is being led by the Executive Director for Housing, Regeneration and Environment, but it is still too early to anticipate the full benefits in this financial year.

6.4 Joint Commissioning and Early Help

- 6.4.1 The early help offer for families is funded exclusively from the Troubled Families (TF) grant. Although the Council's TF claims are at the level expected by the Ministry of Housing, Communities and Local Government (MHCLG), an unachievable savings income target set up in 2015/16, means that the service is again reporting a pressure of circa £0.9m. The TF grant was expected come to an end later this year, but current indications suggest that it will continue next year.
- 6.4.2 A budget shortfall of £0.5m for the Youth Service contract, partially offset by an underspend in the Children's Centres budget of £0.3m accounts for the balance of the overspend. The new contract for youth services is within the reduced budget total.
- 6.4.3 The net effect of the above is that the *Joint Commissioning and Early Help* Division is reporting a budget pressure of some £1.1m for 2019/20.

6.5 Progress on Savings for 2019/20

- 6.5.1 The progress on revenue budget savings for the directorate have been set out in the table below. Saving proposals of £1.575m were agreed in setting the 2019/20 budget. At this midway stage of the financial year, it is expected that these savings are on track to be delivered in full (subject to the increase in residential placements referred to above). Work continues to monitor the impact of each of the individual proposals.

Table 4 – CYP Savings Tracker for 2019/20

| Ref | Description | Division | £k | Comment |
|-------|--|---------------------------------|--------------|------------------------------|
| CYP01 | More efficient use of residential placements | CSC | 500 | Delayed, no savings forecast |
| CYP02 | Improved placement process and more efficient systems with rigorous control through operating model and IT | CSC | 250 | On track |
| CYP03 | More systematic and proactive management of the market for independent fostering | CSC | 350 | On track |
| CYP04 | Commission semi-independent accommodation for care leavers | CSC | 250 | On track |
| CYP05 | Residential framework for young people - Joint South East London Commissioning Programme | CSC | 200 | On track |
| CYP06 | Cease funding for former CYP funded post in Voluntary Action Lewisham | Joint Commissioning/ Early Help | 25 | On track |
| | Total | | 1,575 | |

7. COMMUNITY SERVICES

- 7.1 As at the end of October 2019, the Community Services directorate is forecasting an underspend of £2.3m which represents an increase of £0.1m on the underspend position reported at the end of July 2019.

Table 5 – Community Services Directorate

| Service Area | Gross budgeted Spend | Gross budgeted income | Net budget | Forecast Outturn for 2019/20 | Forecast over/ (under) spend Oct 2019 | Forecast over/ (under) spend July 2019 |
|-------------------------------------|----------------------|-----------------------|-------------|------------------------------|---------------------------------------|--|
| | £m | £m | £m | £m | £m | £m |
| Adult Social Care | 127.3 | (54.8) | 72.6 | 70.4 | (2.0) | (2.0) |
| Cultural and Community Development | 16.4 | (8.0) | 8.4 | 8.6 | 0.2 | 0.3 |
| Public Health | 14.9 | (15.3) | (0.4) | (0.2) | 0.1 | 0.0 |
| Crime Reduction & Supporting People | 18.9 | (8.9) | 10.0 | 9.4 | (0.6) | (0.5) |
| Strategy & Performance | 1.3 | 0 | 1.3 | 1.3 | 0 | 0.0 |
| Reserves | 0.0 | (0.2) | (0.2) | (0.2) | 0.0 | 0.0 |
| Total | 178.8 | (87.2) | 91.7 | 89.5 | (2.3) | (2.2) |

7.2 The most significant cost variance for the directorate falls within the *Adult Social Care division*. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period. It also makes clear what the impact of any management action or other intervention will have on the forecast projected to the year-end. Where any variance is impacted upon by demand driven activity, then these are also set out and made clear in this section.

7.3 *Adult Social Care Services*

7.3.1 An underspend of £2.0m is projected in the *Adult Social Care* division. The budget has been increased in 2019/20 by the precept of £2m to fund the rise in London Living Wage costs and a rise in the improved Better Care Fund grant of £2.8m. There are cost pressures arising from transition and other demographic effects and from increased costs of care arising from the London and National Living Wage. However, the effects of these are less than the new level of resource available for 2019/20.

7.3.2 The variance is a £0.1m reduction from the previous reporting position with increased projected spend on packages, placements and enablement largely offset by reduced expenditure on mental health. This appears to be due, at least in part, to increased demand to speed up flow from UHL. In order to improve the performance of Lewisham hospital, LGT are in receipt of support from the National Director of Urgent and Emergency Care and there is pressure on the community system, particularly adult social care. These impacts have led to increased costs of care and support as people discharged often require more intense and costly care and support. There is also a £0.3m projected overspend on the cost of client transport.

7.3.3 Most of the revenue budget savings have been achieved. There has been improved management of enquiries and how these can be resolved by the staff who handle them. Such new approaches to demand management have reduced the numbers of older service users, particularly smaller care packages. An updated position of the progress of delivering the revenue savings has been set out in the table below.

Table 6 – Community Services Savings Tracker for 2019/20

| Ref | Description | Division | £k | Comment |
|-------|--|----------|--------------|--|
| COM01 | Managing demand at the point of access to adult social care services | ASC | 122 | On track |
| COM02 | Ensuring support plans optimise value for money | ASC | 250 | On track |
| COM03 | Increase revenue from charging Adult Social Care clients | ASC | 159 | Saving now fully achieved despite auto charging and configuration still not complete – prospect to improve charging in 20/21 |
| COM04 | Reduce costs for Learning Disability and Transitions | ASC | 900 | Work in progress – partial achievement (£700k savings) expected in 2019/20 |
| COM05 | Increased focus of personalisation | ASC | 260 | On track |
| COM06 | Reduction in Mental Health Residential care costs | ASC | 300 | On track |
| COM07 | Reduction in Adult Social Care contribution to Mental Health Integrated Community Services | ASC | 100 | On track |
| COM09 | Cut to intensive housing advice and support service | CR&SP | 300 | On track |
| COM10 | Crime, Enforcement & Regulation reorganisation | CR&SP | 255 | On track |
| COM12 | Cut to Main Grants budget | C&CD | 600 | On track for full year; part year effect (£400k savings) in 2019/20 |
| COM13 | Reduction in Arts, Development and Events Funding | C&CD | 85 | On track |
| COM14 | Reduce Local Assemblies funds | C&CD | 225 | On track |
| COM16 | Cultural and Community Development Service Staffing | C&CD | 75 | On track |
| COM17 | Ending the Small & Faith Fund | C&CD | 50 | On track |
| | Total | | 3,681 | |

- 7.3.4 Consultation on a new staffing structure that is designed to increase the levels and skills mix of staff at the front door is still in progress. This along with more effective use of short term interventions, such as enablement has contributed to some delay or reductions in the need for longer term care is being scoped. Work to improve systems with projected costs of £400k has been delayed. Once this is in place, further revenue savings on package and placement budgets will be possible through better demand management. These are difficult to quantify at this stage, and have currently not been reflected in the projections for this period.
- 7.3.5 Officers from within the services of Joint Commissioning and Adult Social Care are working proactively to identify appropriate and cost effective solutions that will reduce some of the costs associated with long term care and support. These reductions are work in progress and have not been factored into the projections.
- 7.3.6 The service is dealing with more complex levels of need from cases that are referred from the acute hospitals due to a reduced length of stay. In addition, the young people with special educational needs and/or disabilities that transition from children’s services to adults’ social care, tend to be more complex.

7.3.7 Additionally, there has been an unexpected increase in the number of residential and nursing placements for service users aged 18 to 65. Transition was expected to increase learning disabilities numbers, but there has been an increase of 20 placements (28%) on other client groups also. Officers are investigating the reasons for this and will consider whether they could be avoided.

7.3.8 There are also emerging pressures on care home fees linked to concern about market sustainability. This was highlighted as a national concern by the Association for the Directors of Adult Social Services (ADASS) in a recent survey.

7.4 Cultural and Community Development

7.4.1 The *Cultural and Community Development* service is currently projecting an overspend of £0.2m. This represents a reduction of £0.1m to the projected overspend position reported at July 2019. The main movement is a net underspend of £0.1m now highlighted on the Leisure Management budget as a result of the change in the accounting treatment for the budgeted contribution to the Discretionary Rate Relief Pool.

7.4.2 The community sector grants programme is showing an overspend of £0.2m. This was highlighted in the Main Grants Programme 2019-22 report to Mayor & Cabinet on 24th April 2019. A revenue budget saving of £600k was taken against the 2019/20 grants budget. However, the new 3-year programme came into effect on 1st August 2019 meaning that the existing programme was extended for four months resulting in the £0.2m budget pressure. The full £0.6m saving will be achieved in a full year for 2020/21 onwards.

7.4.3 The Culture and Community Development core staffing team is currently in the process of being restructured in order to deliver a full year saving of £150k per annum. The new structure has now been finalised with an effective date of January 2020. There will be redundancy costs arising from the restructure and it has been agreed that the statutory element of these costs will need to be covered from the service budget up to a maximum of £10k per employee. This additional cost will result in a net budget pressure of £26k on the service which will impact on the deliverability of the 2019/20 element of the saving.

7.4.4 There is now a small potential overspend of £10k on the community centres budget which is down on the £55k reported in the July monitoring report. A number of outstanding commercial rent agreements on community hub buildings have now been resolved resulting in the receipt of outstanding lease and rental amounts which in some cases have been backdated to reflect prior occupation. There are still a small number of negotiations that are ongoing with organisations - once these negotiations are completed it is anticipated the small residual pressure will be eradicated.

7.4.5 There is a projected overspend on the Broadway Theatre budget of £60k. The service has to strike a delicate balance between costs and income generation and some additional staffing costs incurred marketing and event management are not expected to be covered from additional income generation. The pantomime agreement for 2019/20 is on a 'hire only' arrangement with the promoter accepting the risk and the hire fee fully covering our costs to prevent the risk of any potential overspend. There is an overspend of £15k on the Blackheath Firework event which was held in November – this resulted from an income shortfall despite every attempt

being made to maximise contributions and sponsorship for the event. There are other minor variations totalling £9k on the budgets for the Community Toilet Scheme and the Arts Service.

- 7.4.6 There is a net projected underspend on the Leisure Management budget of £114k. This is primarily the result of a change in the accounting treatment for the budgeted contribution to the Discretionary Rate Relief Pool. This cost will now fall on the Collection Fund rather than on the revenue budget.
- 7.4.7 There had been a previously reported underspend on Libraries staffing budgets for 19/20. However, due to the new to provide some resource to ensure the safeguarding of the local history and archive collection based at Lewisham Library any service underspend is now unlikely. In overall terms the Libraries budget is still currently expected to balance for 2019/20.
- 7.4.8 The Adult Learning Lewisham (ALL) service has gross expenditure of £4m which it is anticipated will be fully covered for 19/20 from a combination of grant funding from the Education and Skills Funding Agency and the GLA of £3.4m and Student fee/other income of £0.6m. Although staffing budgets are tightly drawn following the need to absorb the impact of the pay award no variance is currently projected.

7.5 Public Health

- 7.5.1 The *Public Health* division has a planned revenue budget saving on staffing which has not yet been delivered in full and therefore an overspend of £0.1m is projected. Activity on sexual health budgets has increased over the past two months and projected spend has now above budgeted levels. Overall, the Public Health service is projected to overspend by £0.1m.

7.6 Crime Reduction and Supporting People

- 7.6.1 The *Crime Reduction and Supporting People* service is currently projecting an underspend of £0.6m. This represents an increase of £0.1m in the underspend reported as at the end of July 2019. There has been a reduction of £53k in the underspend on Secure Remand placements due to an increase in remand bed nights during the September and October periods. This has been offset by a range of increased underspends across Youth Offending (staffing) £50k, Environmental Health £30k (staffing) and Drug & Alcohol rehabilitation and detoxification services of £60k.
- 7.6.2 There is a projected underspend of £187k on the budget for secure remand placements in the Youth Offending Service. This in part is due to better demand management by the service and in part due to an increase in the level of grant received from the Youth Custody Service. However, this budget can be volatile as placements are at the discretion of the court and are based on the age/vulnerability of the young person and the nature of the offence. The projected underspend has reduced in recent months due to the increase in the bed night numbers during September and October.
- 7.6.3 There are a range of smaller variances across the division which total to a net underspend of £0.4m. These variances are as follows: Environmental Health staffing budgets are projected to underspend by £123k following a significant increase in staff turnover in the Food Safety Team and the difficulty of recruiting suitable replacement agency staff; the Youth Offending core staffing budget is projected to underspend by

£64k due to recruitment lag in filling new and vacant posts within the service; the Crime, Enforcement and Regulation budget is projected to underspend by £41k from a combination of variances on staffing/operational budgets and additional income generation in the Licensing Service; the Prevention & Inclusion staffing budget is expected to underspend by £50k due primarily to the part year impact of a staff secondment and the associated recruitment drag on backfilling the post; there are also expected underspends of £50k on the supporting people service resulting from contract savings and on the Drug and Alcohol Service of £55k due to a reduction in spend on activity based rehabilitation and detoxification services.

7.7 Strategy and Performance

7.7.1 The *Strategy and Performance* division is projected to spend to budget.

7.8 Reserves

7.8.1 There is no projected variance shown against Community Services Reserves. An income budget has now been put in place to cover the drawdown of £157k from earmarked Reserves in respect of Sports Development & Leisure Management. This covers specific works to be undertaken in conjunction with the Leisure Management contractor Fusion Lifestyles across several of the leisure centre sites including The Bridge and Wavelengths - this income budget is matched against expenditure budgets in the relevant service area.

7.9 Trends in activity

7.9.1 The following paragraphs show trends in activity in adult social care.

Table 7 – Number of 18+ Clients in service:

| Adults 18+ in each type of care (numbers) | | | | |
|---|--------|--------|--------|--------|
| | Jul-19 | Aug-19 | Sep-19 | Oct-19 |
| Residential | 460 | 453 | 450 | 449 |
| Nursing | 274 | 277 | 277 | 275 |
| Non-Residential | 2,152 | 2,152 | 2,166 | 2,175 |
| Total | 2,886 | 2,882 | 2,893 | 2,899 |

Table 8 – Average Weekly Cost of 18+ Clients in service:

| Adults 18+ in each type of care (average cost) | | | | |
|--|-----------|-----------|-----------|-----------|
| | Jul-19 | Aug-19 | Sep-19 | Oct-19 |
| Residential | £1,059.03 | £1,072.39 | £1,078.45 | £1,079.50 |
| Nursing | £871.07 | £874.38 | £870.38 | £874.08 |
| Non-Residential | £387.34 | £388.74 | £385.66 | £387.78 |
| Average Gross v. Numbers | £540.33 | £542.87 | £539.83 | £541.04 |

Table 9 – Weekly Gross Cost of 18+ Clients in service:

| Adults 18+ in each type of care (gross cost) | | | | |
|--|---------------|---------------|---------------|---------------|
| | Jul-19 | Aug-19 | Sep-19 | Oct-19 |
| Residential | £487,153.80 | £485,793.80 | £485,300.80 | £484,695.20 |
| Nursing | £238,673.20 | £242,203.50 | £241,096.50 | £240,373.00 |
| Non-Residential | £833,551.60 | £836,565.70 | £835,333.90 | £843,421.10 |
| Total | £1,559,378.60 | £1,564,563.00 | £1,561,731.20 | £1,568,489.30 |

8. Housing, Regeneration & Environment Directorate

- 8.1 As at the end of October 2019, the Housing, Regeneration & Environment directorate is forecasting an overspend of £2.6m, a deterioration of £0.5m on the position to the end of July. At the same time last year, the year-end forecast was an overspend of £1.3m, with the actual year-end outturn being an overspend of £1.7m.

Table 10 – Housing, Regeneration & Environment Directorate

| Service Area | Gross budgeted spend | Gross budgeted income | Net budget | Forecast Outturn 2019/20 | Forecast over/ (under) spend October 2019 | Forecast over/ (under) spend July 2019 |
|-----------------------|----------------------|-----------------------|-------------|--------------------------|---|--|
| | £m | £m | £m | £m | £m | £m |
| Strategic Housing | 32.5 | (26.8) | 5.7 | 5.7 | 0.0 | 0.0 |
| Environment | 37.4 | (17.5) | 19.9 | 22.3 | 2.4 | 2.3 |
| Regeneration | 49.9 | (42.1) | 7.8 | 8.1 | 0.3 | 0.4 |
| Planning | 2.7 | (2.0) | 0.7 | 0.5 | (0.2) | (0.2) |
| Reserves / Provisions | 1.3 | (0.6) | 0.7 | 0.8 | 0.1 | (0.4) |
| Total | 123.8 | (89.0) | 34.8 | 37.4 | 2.6 | 2.1 |

- 8.2 The most significant cost pressures for the directorate fall within the *Environment* division. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period. It also makes clear what the impact of any management action or other intervention will have on the forecast projected to the year-end. Where any variance is impacted upon by demand driven activity, then these are set out and made clear in this section also. This section also provides a directorate summary of the progress being made on delivering agreed savings for 2019/20 and what impact if any, slippage on those savings is having on the overall directorate position.

8.3 *Strategic Housing*

- 8.3.1 The net budget for *Strategic Housing* in 2019/20 is £5.7m. The forecast position for October 2019 is for spend to budget, no change from the reported position in July 2019. However, pressures are being monitored within the group regarding incentive payments for which there is no budget, as well as bad debt for nightly paid accommodation and numbers of units acquired for Privately Managed Accommodation (PMA), with no subsequent reduction in numbers in nightly paid accommodation.
- 8.3.2 It is expected that management action currently being taken to control costs and bad debt pressures, together with the use of DHP and other grants will result in a balanced position at year end.
- 8.3.3 The Private Sector Leasing (PSL) service is forecast to overspend by £60k compared to a reported overspend of £86k in July. However, as more units are taken on under the leasing agreement, this over-spend may increase as rents are increasing. In addition, there has been activity in incentive payments, for which there is no specific budget, which are used to retain existing properties. There is

limited cover for this in the current financial year and if spend is at the same level as 2018/19 (£550k) the service will need to call upon reserves to recover the position. R&M costs are forecast to exceed allocated budgets and are adding to the pressure within this area. Total number of PSL stock at the start of the financial year is 462 units.

- 8.3.4 Bed and Breakfast (B&B) is forecast to breakeven after the use of grants given specifically for this purpose (covering the HB limitation recharge), no change from July's position. The potential over-spend is related to the increased need to provide cover for bad debt impairment (as narrated below). Throughout the year, new units will continue to come on line in our own stock and be complemented by the Hyde Acquisition properties, and the use of Privately Managed Accommodation (PMA). These should contribute to reducing the requirement for additional B&B spend.
- 8.3.5 Actual numbers in B&B are at 765 tenancies at the end of October 2019 compared to 693 tenancies in July. This number has been kept relatively stable over the last few months due to the continuation of incentive payments to landlords and clients (finding their own accommodation to rent). In 2018/19, a total of 593 preventions were made using this resource. If this resource was not available and these clients had to be housed in nightly paid accommodation, this would have cost an additional £3.6m to the service.
- 8.3.6 The B&B arrears have increased by £567k since the beginning of the year. Some of these arrears relates to Children's placements and NRPF client groups. After removing this from the B&B arrears, the projection is in the region of £650k. The current budget is £300k. Management action needs to be taken to address this issue to keep spend in line with current budget levels.
- 8.3.7 The PMA as a product is a cost to the Council and will contribute to the pressure in the Housing division, but to a lesser extent than if B&B accommodation was used. PMA is currently forecast to underspend by £76k compared to £58k underspend in July. Again, this is after the use of specific grant given for this purpose (covering HB limitation recharge). The total number of PMA stock at the start of the financial year is 359 units. Stock at the start of October has risen to 408 units, increasing the pressure in this area, with a resultant increased forecast in this area, up by some £753k to an overspend in the region of £800k. However, additional flexible homelessness support grant funding (FHSG) has been used to reduce this back to similar levels to previous months.
- 8.3.8 The forecast overspend in the Housing Needs Group is mainly due to salaries cost overruns. This is being discussed with the service group managers to identify potential posts which should be funded via specific new burdens and flexible homelessness support grant funding.
- 8.3.9 The Housing, Partnership and Development division is forecast to overspend by £302k compared to £213k overspend in July. The overspend comes as a result of additional repairs costs on the PLACE Ladywell scheme as well as additional costs being incurred by the Strategic Housing and Development teams. This area is currently being updated to separately show the costs associated with the strategic housing management service and the new build and development service which is to be located under the Regeneration & Place service. This is now shown as separate units in the monitoring statement.

8.4 **Environment**

- 8.4.1 The *Environment* division is forecasting a net overspend of £2.4m, which represents a worsening of the position by £0.1m. This is set against an overspend of £1.9m in 2018/19 and £0.8m agreed revenue budget savings for 2019/20.
- 8.4.2 The refuse collection services is forecast to be £1.6m overspent, accounting for over two thirds of the total overspend in Environment. With the introduction of the fortnightly refuse collection and weekly garden and food waste services in recent years, unforeseen operational issues emerged that have added to the underlying budgetary pressures and were explored further at a meeting of this Committee on 24th September 2019.
- 8.4.3 Staff costs are anticipated to exceed the budget by £526k, a reduction of £129k from July and 2018/19. Some £57k of this staffing overspend relates to the trade waste service and of the remaining £469k staffing overspend, between £250k - £300k can be attributed to the two additional dry recycling collection rounds as each refuse vehicle has a driver and a crew of three staff. The additional bulk collection rounds adds another £130k staffing pressures.
- 8.4.4 As seen in previous years, the overspends on vehicle costs for refuse services are reducing following the purchase of a number of new vehicles in 2018/19. However, there are still ten hired in vehicles in use, which is expected to create an overspend position for this year of £620k, down from £669k last year but £70k worse than reported in July. Mayor & Cabinet recently approved a report for the acquisition of a fleet of new Euro Low Emission Zone compliant vehicles. Once these vehicles have arrived, it will avoid the need to hire refuse vehicles, although pressures still remain due to the hired vans used to deliver and collect bins to households and trade waste customers. The new vehicles will not be delivered in full before July 2020 so will have minimal impact on this year's overspend.
- 8.4.5 There is also a shortfall of income projected for *trade refuse* of £480k. This is £130k worse than the shortfall in 2018/19 and July based on current amounts invoiced. The income budget for 2019/20 included an additional £150k savings agreed through the Star Chamber process, but it has not been possible to achieve this target as numbers of trade customers have reduced as shown in the Table 11. Work is being undertaken to analyse the customer base and develop more streamlined marketing, contract and debt collection processes to increase the income stream from trade waste and in line with the recommendations of the APSE review. An additional 400 – 450 customers would be required in order to achieve this year's income targets. An additional £300k income target was agreed for 2020/21 and this would require another 300 – 350 customers next year (700-800 customers over the next two years) based on analysis of average income per customer.

Table 11 – Trade Refuse

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---------------------------|----------------|----------------|----------------|----------------|
| Income Budgets | 1,951,000 | 2,048,000 | 2,048,000 | 2,198,000 |
| Income Actuals / Forecast | 1,775,986 | 1,746,770 | 1,714,415 | 1,718,000 |
| | | | | |
| Number of Trade customers | 2,195 | 2,097 | 2,084 | 1,874 |

- 8.4.6 For strategic waste management services the forecast overspend of £187k is being reported, a £35k improvement on July's forecast. The pressures are due to SELWDG related costs for the disposal of refuse for the London Borough of Greenwich, unachievable income recharge budget, and overspends on staffing and supplies and services in civic amenities. A one year contract for the disposal of dry recyclables commenced on 1st July 2019 as an interim position. The existing contract expired as the current contractor does not wish to extend, so this will allow sufficient time for a thorough procurement process. The cost is estimated at £1.3m, an increase of £0.4m on 2018/19. There will be a request for this to be funded from corporate reserves as in previous years.
- 8.4.7 Whilst total waste collection volumes have decreased by 8% over the last five years, the contractual costs of disposal have increased at a greater rate. This has been magnified by the change in the mix, where volumes of incineration waste has declined by 14,000 tonnes (14%) whilst composting volumes have increased by 10,400 tonnes (576%) over the same period. The former is currently charged at £63.52 per tonne for disposal whilst the latter costs up to £79 per tonne. Recycled tonnages has actually decreased by almost 2,000 tonnes (10%) over the same period but the cost is forecast to increase by £0.4m this year as the unit cost has increased by £6.17 (8.4%) pursuant to a new dry recycling contract. It is difficult to quantify the costs of this service early in the year as tonnages and cost per tonne vary. These rising costs described above, faced with an 8% fall in volumes over five years require further analysis. The service will work on getting a better understanding of waste disposal volumes and how this drives costs both in terms of disposal and collection rounds needed. Table 12 sets out waste disposal volumes for the last five years.

Table 12 – Waste Disposal Volumes

| Waste Type | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | April - Oct 2019/20 | 2019/20 Forecast |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------------------|-------------------------|
| Total waste sent for incineration | 99,829 | 99,573 | 99,835 | 94,930 | 85,558 | 49,487 | 86,000 |
| Total waste sent to landfill | 372 | 856 | 958 | 499 | 362 | 46 | 100 |
| Total waste sent for recycling | 18,863 | 19,231 | 17,329 | 16,091 | 15,801 | 10,153 | 17,000 |
| Total waste for composting | 1,804 | 1,372 | 2,626 | 7,597 | 12,138 | 7,268 | 12,200 |
| Total waste sent for re-use | 725 | 992 | 1,303 | 1,050 | 811 | 434 | 790 |
| Total waste sent for RDF | 7,668 | 8,030 | 2,003 | 2,284 | 2,982 | 1,480 | 2,800 |
| Total waste collected (tonnes) | 129,260 | 130,055 | 124,055 | 122,451 | 117,653 | 68,868 | 118,890 |

- 8.4.8 Further work is being done to refine, develop and link both the service operating and budgetary models so that pressures are clearly identified, costed and highlighted at an early stage of the annual business and financial planning cycle. This will enable the Council and service to take appropriate remedial actions. This could include a review of the current model of service delivery in terms of number of rounds, staffing mix between permanent and temporary staff, and other key inputs in order to secure greater efficiencies and optimal service delivery.
- 8.4.9 The street management service is forecasting a £110k overspend, a £211k improvement on the £321k overspend reported in July and 2018/19. This improvement is due to the transfer of £200k budget from Directorate inflation reserves to fund this pay pressure. Most of this overspend is due to staffing, with a small element of residual spend for public conveniences which should be centrally funded. Management are undertaking a detailed analysis of this staffing pressure to have a better understanding of the cost drivers. An area which may require greater attention is the levels of long term sickness.
- 8.4.10 The Green Scene service is forecasting an overspend of £157k, which is £57k worse than reported in July, mainly due to the parks contract which expires on 1st March 2020. A balanced view has been taken on the likely contract cost for the year as there can be a significant degree of price volatility each month. There are shortfalls on the increased Green Scene income budget of £50k, £53k overspend on the Parks & Open Spaces contract. Grounds maintenance costs in the arborists' service add £156k pressures, partially offset by £40k additional income in pest control and £90k unbudgeted HRA income recharges in the arborist service.
- 8.4.11 The passenger services budget is forecast to break even for 2019/20. The cost of passenger services for 2019/20 is £4.1m and this will be fully recharged to directorates, predominately CYP (for SEN transport) and Community Services. The overall cost of the service is expected to be £0.2m higher than 2018/19 costs of £3.9m.
- 8.4.12 The fleet service is now showing a net underspend of £8k compared to an overspend of £89k in July. The Fleet hire rates are set at the beginning of the year to recover the costs of routine maintenance on the core fleet vehicles – the charges are expected to cover the cost of fleet staffing, external maintenance services and, parts. The costs of non-routine maintenance, fuel and hired in vehicles are all charged out to users at cost. The increasing age of the fleet has meant that the costs of routine maintenance have been increasing over the last few years resulting in deficits of over £100k in each of the last two years. Hire rates have been increased for 2019/20 and this coupled with an increase in income from Lewisham Homes is expected to ensure a balanced position.
- 8.4.13 Bereavement services is forecasting a net overspend of £469k, a deterioration of £287k on July's reported position. This overspend is due to increased charges for the *coroners court service* with the London Borough of Southwark, staffing overspends and shortfall in cemeteries and crematoria income. Most of this adverse movement is due to a £357k reduction in forecast cemeteries and crematoria income as a result of fewer deaths, burials and cremations at this stage of the year compared to the last, although this could change.

- 8.4.14 Lewisham's contribution to the Coroners Consortium this year is forecast to be £456k, an increase of £46k on last year and £66k more than budgeted. Forecast staffing costs are showing an adverse variance of £49k, down from £96k reported in July due to lower than anticipated seasonal agency costs and overtime in the service.
- 8.4.15 With the increase in cost of burials from 1st April 2019, the expectation is a rise in income which is reflected by the £41k reduction in the net income budget to £437k. However, due to the nature of the service and the difficulty in predicting 'take-up' the service has reviewed the position in October and projected an increased overspend. The current numbers of deaths and resultant burials and cremations are less than last year, suggesting that there could be a significant shortfall against the income budget.
- 8.4.16 The service will incur additional expenditure in the year resulting from work to create four new burial plots at Hither Green and Grove Park Cemeteries; the cost of creating the plots is in the region of £27k and work has started.
- 8.4.17 Cremation charges were reduced by 7.5% from 1st April 2019 with the aim of making services more affordable. Due to the nature of the service, it is difficult to predict the numbers of burials and cremations for the year, as volatile factors such as the weather and possible influenza epidemic, amongst others, all play a role.

8.5. ***Regeneration***

- 8.5.1 The Regeneration division is forecasting a £289k overspend, which represents a £78k improvement on position previously reported in July. This is mainly due to the further re-alignment of salary budgets within the Property Strategy service which is forecast to underspend by £88k compared to breakeven in July. Some posts have only just been filled part way through the year and other posts are being held vacant in order to support agency costs.
- 8.5.2 Income from commercial rents is projected to underachieve the budget by £87k, partly due to void rent loss and limited rent review opportunities this year. Utility costs are forecast to exceed the budget by £192k due to rising prices. Business rates have also increased across the corporate estate as a whole, resulting in a budget pressure of £106k, but this will be funded corporately. The Building Control service is forecasting a £107k overspend due to re-absorption of two Customer Services staff and the recruitment of a third in order to maintain service delivery. A number of minor underspends across other service areas bring the forecast overspend down to £0.3m overall.

8.6. ***Planning***

- 8.6.1 The Planning Service is forecasting a £173k underspend, an adverse change of £45k on the previous position reported in July.
- 8.6.2 Development Management are forecast to be underspent by £154k compared to a £207k underspend in July, the change primarily due to increased staffing costs as a result of more planning enforcement officers. There was concern in the first few months of the year that fee income may not be as high as in previous years; however current forecasts show we should achieve similar levels to last year. Resourcing within the enforcement team is also being reviewed and may impact on the budget position.

- 8.6.3 Land Charges are forecasting a £11k underspend due to potential reduced staffing and supplies and services costs, the same as reported in July.
- 8.6.4 Strategic Planning are currently forecasting to underspend by £8k compared to a balanced budget in July mainly due to staff movement. Corporate funding has been awarded to cover costs incurred in preparing the affordable housing supplementary planning document.
- 8.6.5 It should, however, be noted that the Council is in the process of preparing a new Local Plan, a statutory planning document setting out the council strategy and policies for future growth and change in the borough over a 15 year plan period; this has the potential to increase expenditure as a number of studies will need to be commissioned to contribute to the evidence base of the plan. This expenditure is likely to be incurred over 2019/20 and 2020/21. The Service are also managing greater demands for planning guidance where costs are unrecoverable. The implications of additional work streams on budgets and resources are being kept under review.

8.7 **Reserves and Provisions**

- 8.7.1 Reserves and Provisions constitutes the costs of the directorate management team and provisions for pay and non-pay inflation. £475k has been allocated to services with underlying pressures within the Environment division, leaving £107k remaining unallocated.

8.8 **Progress on Savings for 2019/20**

Table 13 - Housing, Regeneration & Environment Progress on Savings

| Ref | Description | Division | £k | Comment |
|-------|---|-------------|-----|---|
| CUS02 | Income Generation – increase of Garden Waste Subscription | Environment | 278 | On-track. Based on current subscription of 9,500 customers @ 80 per annum. Subscribers increasing (70 per week), likely to average 50 per week until autumn. Likely to achieve income target |
| CUS03 | Income Generation – Events in Parks | Environment | 200 | £50k shortfall based on current events planned |
| CUS04 | Income Generation – increase in Commercial Waste Charges | Environment | 150 | Nil savings likely to be achieved. Ongoing review of potential and existing trade customers and improved operational processes |
| CUS05 | Increase charge for the collection of Domestic Lumbar from households | Environment | 30 | Nil savings likely to be achieved. Agreed proposal is more difficult to achieve as final proposal based on four items per visit which differs from original proposal based on 3 items per visit |

| | | | | |
|--------------|---|-------------------|--------------|--|
| CUS06 | Bereavement Services – increase income targets | Environment | 67 | Nil savings likely to be achieved. Income difficult to forecast dependant on death rate and uptake of services. Based on lower numbers of deaths, cremations and burials to date than last year, target not likely to be achieved – ongoing analysis to inform reporting |
| CUS08 | Close the four remaining Automated Public Toilets | Environment | 92 | Will be achieved as likely small overspend to be met by corporate as per proposal. Full closure in July 2019. |
| CUS09 | Cost reductions in homelessness provision – income generation and net | Strategic Housing | 405 | On-track but risk remains that the numbers in bed & breakfast will not reduce as planned |
| RES11 | Increase in pre-application fees | Planning | 100 | On-track |
| RES14 | Corporate Estate Facilities Management Contract Insourcing | Regeneration | 100 | On-track. FM advised 20/21 savings not achievable, should only be £100k in total across both years. |
| RES17 | Beckenham Place Park – income generation | Regeneration | 28 | On-track |
| RES18 | Electric Vehicle charging points | Regeneration | 50 | Nil savings likely to be achieved. Delayed, awaiting contract sign off |
| Total | | | 1,500 | |

9. CORPORATE SERVICES

9.1 As at the end of October 2019, the Corporate Services directorate is forecasting an overspend of £1.4m. The overall position has been set out in Table 14.

Table 14 – Corporate Services Directorate

| Service Area | Gross budgeted spend | Gross budgeted income | Net budget | Forecast Outturn for 2019/20 | Forecast over/ (under) spend October 2019 | Forecast over/ (under) spend July 2019 |
|-------------------------------|----------------------|-----------------------|------------|------------------------------|---|--|
| | £m | £m | £m | £m | £m | £m |
| Corporate Resources | 5.9 | (3.2) | 2.7 | 2.6 | (0.1) | 0.0 |
| Corporate Policy & Governance | 4.7 | 0.0 | 4.7 | 4.3 | (0.4) | (0.4) |
| Financial Services | 5.4 | (1.5) | 3.9 | 4.3 | 0.4 | 0.2 |
| OD & Human Resources | 3.0 | (0.3) | 2.8 | 2.8 | 0.0 | (0.2) |
| Legal Services | 3.4 | (0.5) | 2.9 | 2.9 | 0.0 | 0.0 |
| Strategy | 5.4 | (2.8) | 2.6 | 2.6 | 0.0 | 0.0 |
| IT & Digital Services | 5.7 | 0.0 | 5.7 | 6.9 | 1.2 | 0.8 |

| | | | | | | |
|-----------------|-------------|---------------|-------------|-------------|------------|------------|
| Public Services | 28.7 | (18.5) | 10.2 | 10.5 | 0.3 | 0.5 |
| Reserves | 0.0 | (1.4) | (1.4) | (1.4) | 0.0 | 0.0 |
| Total | 62.2 | (28.2) | 34.0 | 35.4 | 1.4 | 0.9 |

- 9.2 The *Corporate Resources* division is an underspend of £0.1m, mainly due to vacant posts. The *Corporate Policy and Governance* division is forecasting an underspend of £0.4m. This is mainly on staffing budgets, including the Chief Executive and Executive Director for Corporate Services posts, which have been vacant for periods of this financial year.
- 9.3 The *Financial Services* division is forecasting a £0.4m overspend primarily on the staffing budget. This partly relates to a delayed budget saving as per the savings tracker below this section. Also the Integrated Financial Transaction Team (IFFT) has transferred to the *Financial Services* division from *Public Services* division, effective 1 October 2019, and this has increased the forecast overspend for *Financial Services* by £0.1m.
- 9.4 The *Organisational Development and HR* division is a balanced budget at year-end. The previous forecast underspend, mainly on staffing budgets due to vacancies, has been offset by additional spend forecast in Learning & Development.
- 9.5 The *Legal Services* division is currently forecasting a balanced budget position at year-end.
- 9.6 The *Strategy* division is currently forecasting a balanced budget position at year-end.
- 9.7 The *IT & Digital Services* division is currently forecast to end the year with an overspend of £1.2m due to anticipated additional costs of the Shared ICT Service (£1.0m). This is due to extended use of interim consultants whilst a new management team is recruited, as well as a number of “investment costs” to improve service levels, and some residual costs from the legacy print contract. The remaining £0.2m is due to previously unbudgeted software commitments being identified, and an extended use of contractor resource whilst the IT and DS Restructure is finalised. This is a worst case scenario, and the shared service are reviewing all purchases to identify any items currently classified as investments that have been procured against other cost centres.

Public Services

- 9.8 The *Public Services* division is forecasting an overall overspend position of £0.3m at the year-end, compared to a £0.5m reported in July. The major change in projection is mainly due to the correct allocation of the £0.7m additional income target in relation to the saving CUS12 Invest to Save – HB overpayment recovery improved. This has meant that an additional £0.2m (investment element) budget has been applied to the Revenue Services area, and the £0.7m additional income budget is being reflected within Housing Benefit subsidy. A further change is that the Integrated Financial Transactions team (IFTT), which was formerly part of Revenue Services is forecasting a £0.1m overspend, has now transferred to the Financial Services division. The budget and variances by services area are set out below:

Table 15 – Public Services

| Service Area | Net budget | Forecast over/ (under) spend October 2019 | Forecast over/ (under) spend July 2019 |
|----------------------------|-------------|---|--|
| | £m | £m | £m |
| Revenue Services | 2.0 | (0.2) | 0.2 |
| Housing Benefits | 11.1 | 0.2 | 0.0 |
| Emergency Planning & Admin | 0.9 | 0.2 | 0.2 |
| Service Point | 2.0 | 0.3 | 0.3 |
| Parking Services | (5.8) | (0.2) | (0.2) |
| Total | 10.2 | 0.3 | 0.5 |

- 9.9 For the *Revenue Services* area, an underspend of £0.2m is now being forecast. The position has improved following the transfer of the IFTT to the Financial Services division, and also reflects recruitment to a number of invest to save posts part way through the financial year.
- 9.10 The *Housing Benefits* Service is projecting to overspend by £0.2m following budget realignment. The overall variance is due to a combination of a £0.1m forecast staffing underspend in the Housing benefit admin team and a £0.3m forecast underspend in concessionary fares; the latter is due to lower settlement figures from TfL based on the number of Freedom Pass holders. The local support scheme provides small loans and grants to at risk individuals in the case of a crisis or emergency. The service is funded from one off grant income received in previous years from the DWP. This funding is due to run out this year and officers are working to conclude the scheme. There is a risk that the funding will run out before the service has been concluded. This is offset by a forecast overspend of Housing Benefits Subsidy of £1.4m. The reductions in overpayment income and bad debt requirement are the main drivers for the ongoing budget pressure within Housing Benefit Subsidy. This budget pressure, which is likely to increase over time, has been reduced by once-off corporate funding of £0.675m towards a structural shortfall in the budget. A full review of the budget related to housing benefits and universal credit will be undertaken once the announcement around funding arrangements are known.
- 9.11 An overspend of £0.2m is forecast for the *Emergency Planning & Administration* service mainly due to a £0.2m overspend in the Complaints, Casework and Information Governance team. Overspend on agency staff of £0.3m is partially offset by schools buy back income £0.1m more than budgeted and small underspends on supplies and services; within the same service the Emergency Planning team has a very small overspend on permanent staff.
- 9.12 *Service Point* is projecting a £0.3m overspend, mostly due to £0.4m staffing pressures in the Customer Service Centre team (partially offset by £0.2m overachievement on license and permit income) and £0.1m underachievement of recharge income in the in-house printing service.
- 9.13 The gross costs of the *Parking* service are forecast at £0.2m above budget, due to the increase in bank charges arising from the rise in cashless parking charge payments. Legal costs and business rates are also overspent by £0.1m, partially offset by a small staffing underspend in the team. This is expected to be offset by a favourable variance of £0.5m from fixed penalty notices and pay and display charges, creating a £0.3m

surplus for the service. Management are confident that this position will improve by the end of the financial year. However, it is too early to project what this sum will be as there are too many variants including the reliance on motorists' behaviour.

- 9.14 The table below summarises the progress on delivering budget savings agreed for 2019/20:

Table 16 – Corporate Services Savings Tracker for 2019/20

| Ref | Description | Division | £k | Comment |
|--------------|--|----------------------|--------------|---|
| CUS01 | Printing reduction | IT & Digital | 100 | On-track - part of shared service contract |
| CUS10 | Invest to save – create revenues protection team | Public Services | 806 | Work in progress |
| CUS12 | Invest to save – Housing Benefit overpayment recovery improved | Public Services | 480 | Work in progress |
| CUS14 | Parking Service revenue review | Public Services | 500 | On-track |
| RES01 | Benefits Realisation of Oracle Cloud | Finance | 90 | Delayed – nil savings |
| RES02 | Legal fees increase | Legal | 50 | On-track |
| RES05 | Withdrawal of Councillor Car Run Delivery Service | Policy & Governance | 10 | Car run ended – saving delivered. Alternative arrangements for those not signed up to electronic copies |
| RES06 | Increase income supporting the Funding Officer post and review the Economy and Partnerships Function | Strategy | 30 | On-track |
| RES08 | Insurance costs – premium reduction | Corporate Resources | 30 | On-track |
| RES09 | Insurance costs – self-insurance reserves | Corporate Resources | 200 | On-track |
| RES10 | Cease graduate programme | OD & HR | 78 | On-track |
| RES16 | Commercial Property Investment Acquisitions | Corporate Provisions | 140 | On-track |
| Total | | | 2,514 | |

10. DEDICATED SCHOOLS' GRANT

- 10.1 The Dedicated Schools Grant (DSG) for 2019/20 is £291.1m, and is expected to be in balance by the year-end. A net change of £110k has occurred in September and this is due to a small decrease in the High Need Block of £108k and an increase of £322k in the Early Years amount. Of the early years figure £186k relates to last year's underpayment. It should be noted that the Early Years funding remains provisional until January 2020 pupil count.
- 10.2 Pupil Premium allocations show a net reduction of £700k comprising £900k reduction offset by £200k increase (£12.9m in 2018/19 to £12.2m for 2019/20). This will have implications for some schools who have factored in higher levels. During the autumn

term Finance will be working closely with schools to revise this data for pupil premium, pupil number and any other changes. Further grants are given to schools and routed through the local authority. Post 16 funding (£5.7m) and the universal free school meals grant (£3.8m) making total funds of £312.3m. This figures are based on last year's allocation and have yet to be formally approved.

Schools

- 10.3 Based on the Schools Budget plan submissions, the general financial landscape remains challenging. Schools are suggesting that from an overall surplus position of £12m this will reduce to a deficit of £11m over the next two years. This clearly needs to be taken with some caution, but equally demonstrates the level of work that needs to be undertaken with schools to ensure that robust information is available for decision making both at school and local authority level.
- 10.4 The Department for Education recently published a consultation document which proposed various changes aligning reporting requirements for maintained schools to be more aligned with academy schools. This could potentially change the light touch approach of LA with maintained schools to a more hands on support process. This was supported and evidenced in the DfE visits to Lewisham over the summer. Finance is currently developing reporting tools to assist schools in reviewing metric based information.
- 10.5 The DfE has provided Lewisham with the partial settlement for 2020/21. This confirms an increase of £84 per primary age pupil to £5,125.27, an increase of £136 per secondary age pupil to £6,859.10. Whilst the increase in funding is welcomed, it has not been sufficient to fund the pay award requirements over the past two years and will continue to produce a downward pressure on schools.
- 10.6 With regards to funding to support pupils aged 0-5 (Early Years Block), the provisional figure for Lewisham has increased from £5.62 per hour to £5.70. It should be noted that Lewisham is one of the lowest funded Inner London Boroughs, for example Southwark are to receive £6.86 per hour and Greenwich are to receive £6.25 per hour.

High Needs Support

- 10.7 To date Lewisham has successfully managed to provide its High Needs Support within the allocated DSG high needs budget. This has been a result of partnership working with Schools (and schools forum) and where possible Lewisham approach to place pupils in our own provision.
- 10.8 The funding for High Needs is based on a baseline that was determined in 2012/13, which was prior to the changes established as part of the SEND reforms. For example the local authority's liability now covers the 0 to 25 age range. The baseline was determined when the scope was from age 5 to 19 years old. This is just an example. Overall the number of Education Health Care plans is continuing to increase coupled with increases in severity of cases and price. A paper was presented to the Schools Forum in January noting the potential pressures on the High Needs Block. Schools Forum has agreed to support the High Needs Block with funds of circa £1m for 2019/20.
- 10.9 It should also be noted that the increase in support staff costs, up to circa 8% and the biggest impact on cost of special provisions, has not been supported by additional

funding, whereas teachers' pay has been funded at 2% by a direct grant leaving a pressure of circa 0.75% to be met from schools. The impact will vary school by school depending on their staff structure and pupil numbers.

- 10.10 The partial settlement advised for the High Needs Block represents a £4.7m increase (offset by £0.7m reduction in the Central Block which also supports High Needs). The DfE has also confirmed that there will be a review of the High Needs national formula during 2020/21 therefore this increase is not guaranteed in future years.

11. HOUSING REVENUE ACCOUNT

- 11.1 The table below sets out the current budget for the Housing Revenue Account (HRA) in 2019/20. The balanced HRA budget seen in the table includes a budgeted surplus of £3.0m, which is to be transferred to reserves at year end as a part of the 30 year HRA business plan. At this relatively early stage of the new financial year, no variation is being reported.
- 11.2 Repairs & Maintenance (R&M) is forecasting spend to budget. There was an overspend in this area in 2018/19. This area will be closely monitored in 2019/20 to ensure that this does not re-occur and costs contained within overall allocations.
- 11.3 The current 30 year HRA financial model has been recently refreshed, with the final outturn for 2018/19 as well as the latest updates for the new build programme and general capital programme incorporated into the plans. Budgets will be updated to reflect starting stock numbers from 1st April 2019 to reflect the latest position.

Table 17 – Housing Revenue Account

| Service Area | Expenditure Budget | Income Budget | 2019/20 budget | Forecast over/ (under) spend October 2019 | Forecast over/ (under) spend July 2019 |
|-----------------------------|--------------------|----------------|----------------|---|--|
| | £m | £m | £m | £m | £m |
| Customer Services – Housing | 17.3 | (3.5) | 13.8 | 0 | 0 |
| Lewisham Homes & R&M | 37.9 | 0 | 37.9 | 0 | 0 |
| Resources | 1.5 | 0 | 1.5 | 0 | 0 |
| Centrally Managed Budgets | 48.3 | (101.5) | (53.2) | 0 | 0 |
| Total | 105.0 | (105.0) | 0 | 0 | 0 |

12. COLLECTION FUND

- 12.1 As at 31st October 2019, some £85,851,803 of council tax had been collected. This represents 58.7% of the total amount due for the year. This is below the profiled collection rate of 60.0% if the overall target for the year of 96% is to be met. At the same time last year, the collection rate to date was 58.84%.
- 12.2 Business rates collection is at 69.2%, a decrease of 2.41% compared to the same period last year, and 4.0% lower than the profiled collection rate if the overall target rate for the year of 99% is to be achieved.

12.3 The tables below shows the council tax and business rates collection rates and values for 2019/20:

Table 18 Council Tax Collection 2019-20 (Actual against profiled)

| | Cash needed to meet 100% (cumulative) | Cash Collected (cumulative) | Cash needed to meet 96% Profile | difference between collected and 96% profile | Current Year Collection Rate% | Previous Year Collection Rate (2018-2019) | difference | Required Collection Rate to reach 96% | diff |
|------------------|---------------------------------------|-----------------------------|---------------------------------|--|-------------------------------|---|------------|---------------------------------------|--------|
| April | 16,519,543 | 15,924,057 | 16,036,918 | -112,860 | 10.94% | 10.79% | 0.14% | 10.96% | -0.02% |
| May | 29,371,113 | 27,849,341 | 28,241,847 | -392,505 | 19.15% | 19.10% | 0.05% | 19.30% | 0.15% |
| June | 41,677,651 | 39,235,018 | 39,952,306 | -717,288 | 26.91% | 26.90% | 0.01% | 27.30% | 0.39% |
| July | 54,347,658 | 51,343,745 | 52,010,352 | -666,606 | 35.15% | 35.05% | 0.10% | 35.54% | 0.39% |
| August | 66,608,192 | 62,690,277 | 63,681,740 | -991,463 | 42.89% | 42.83% | 0.06% | 43.51% | 0.62% |
| September | 78,958,634 | 74,271,040 | 75,479,575 | -1,208,534 | 50.72% | 50.54% | 0.18% | 51.57% | 0.85% |
| October | 91,773,785 | 85,851,803 | 87,764,913 | -1,913,109 | 58.66% | 58.84% | -0.18% | 59.97% | 1.31% |

Table 19 Business Rates Collection 2019-20

| | Previous Year (%) | | Current Year (%) | | | Difference From Prev Year (%) | |
|------------------|-------------------|-------------------|-------------------|-------------------|---------|-------------------------------|-------------------|
| | Excluding Credits | Including Credits | Excluding Credits | Including Credits | Profile | Excluding Credits | Including Credits |
| April | 18.85 | 18.91 | 22.35 | 22.39 | 11.87% | 3.50 | 3.48 |
| May | 31.49 | 31.61 | 31.00 | 31.09 | 26.28% | -0.49 | -0.52 |
| June | 40.31 | 40.47 | 37.82 | 37.96 | 36.54% | -2.49 | -2.51 |
| July | 47.44 | 47.58 | 45.55 | 45.74 | 45.61% | -1.89 | -1.84 |
| August | 55.69 | 55.96 | 53.97 | 54.39 | 53.97% | -1.72 | -1.57 |
| September | 63.01 | 63.35 | 61.93 | 62.40 | 64.66% | -1.08 | -0.95 |
| October | 71.06 | 71.59 | 68.66 | 69.18 | 73.18% | -2.40 | -2.41 |

13. CAPITAL EXPENDITURE

13.1 The overall spend this financial year to the end of October is £62.9m, which is 37% of the revised budget. The capital expenditure in period 7, last financial year was £36.4m, which was 26% of the revised budget of £137.8m. The final outturn for 2018/19 capital programme was £71.1m expenditure, which was 82% of the revised budget of £87.0m.

13.2 The table below shows the current position on the major projects in the 2019/20 Capital Programme (i.e. those over £1m in 2019/20). Appendix 1 provides a reconciliation of the latest capital programme budget for 2019/20 to the version approved in the 2019/20 Budget Report. Appendix 2 shows the major projects over the three year period 2019/20 to 2021/22.

Table 20 – Capital Programme

| 2019/20 Capital Programme | Budget Report (February 2019) | Revised Budget | Spend to 31 Oct 2019 | Spent to Date (Revised Budget) |
|--|----------------------------------|----------------|----------------------|--------------------------------|
| | £m | £m | £m | % |
| GENERAL FUND | | | | |
| Schools - School Places Programme | 11.0 | 7.0 | 2.6 | 37% |
| Schools - Other (inc. Minor) Capital Works | 1.4 | 5.9 | 3.5 | 60% |
| Highways & Bridges - LBL | 3.5 | 3.5 | 2.3 | 64% |
| Highways & Bridges - TfL | 0.0 | 3.2 | 0.1 | 4% |
| Highways & Bridges - Others | 0.0 | 1.4 | 0.8 | 58% |
| Catford town centre | 5.5 | 2.3 | 1.1 | 48% |
| Asset Management Programme | 2.5 | 2.4 | 1.4 | 57% |
| Smart Working Programme | 0.9 | 2.7 | 2.3 | 86% |
| Beckenham Place Park | 2.5 | 3.0 | 2.5 | 83% |
| Heathside & Lethbridge Regeneration | 0.0 | 0.5 | 0.0 | 0% |
| Excalibur Regeneration | 0.0 | 0.6 | 0.3 | 50% |
| Lewisham Homes – Property Acquisition | 6.0 | 0.0 | 0.0 | 0% |
| Private Sector Grants and Loans (inc. DFG) | 1.3 | 3.8 | 0.6 | 16% |
| Achilles St. Development | 0.0 | 7.3 | 0.1 | 1% |
| Ladywell Leisure Centre Development Site | 0.0 | 0.5 | 0.0 | 0% |
| Edward St. Development | 9.1 | 0.1 | 0.0 | 0% |
| Residential Portfolio Acquisition – Hyde Housing Association | 0.0 | 45.7 | 32.6 | 71% |
| Travellers Site Relocation | 1.1 | 0.0 | 0.0 | 0% |
| Fleet Replacement Programme | 0.0 | 0.5 | 0.0 | 0% |
| Other General Fund schemes | 2.2 | 4.1 | 0.6 | 15% |
| TOTAL GENERAL FUND | 47.0 | 94.5 | 50.8 | 54% |
| HOUSING REVENUE ACCOUNT | | | | |
| Housing Matters Programme | 37.3 | 22.0 | 0.8 | 4% |
| Decent Homes Programme | 57.1 | 52.0 | 11.2 | 22% |
| Other HRA schemes | 0.8 | 1.6 | 0.2 | 11% |
| TOTAL HOUSING REVENUE ACCOUNT | 95.2 | 75.6 | 12.1 | 13% |
| TOTAL CAPITAL PROGRAMME | 142.2 | 170.1 | 62.9 | 37% |

13.3 The main sources of financing the programme are Grants and contributions, and capital receipts from the sale of property assets. £18.7m has been received so far this year, £12.1m (net) from Housing Right to buy sales and Capital Receipts and £6.6m of Grants and Contributions

13.4 The paragraphs below set out further detail regarding the major capital programmes:

13.5 Schools – School Places Programme

Primary place demand has levelled off recently across London and the priority for school place delivery has shifted mainly to Special Educational Need and Disability provision. Four schemes are currently in development and delivery over the next 3 years to 2021. They include:

- Works to Ashmead Primary in Brockley to expand from one to two forms of entry. Works have commenced in April this year and are due to be completed by summer next year. The project will deliver a new standalone block adjacent to Lewisham Way, improved landscaping within the site and a new entrance and enhanced public realm area to the South of the site.

- Greenvale School, in Whitefoot ward, is Lewisham’s community special school for children and young people between the ages of 11 and 19 years who have significant learning difficulties. A new satellite facility to accommodate an additional 93 students will be constructed on the site of the former Brent Knoll building in Perry Vale. The design stage is currently underway, and works are expected to commence on site in January 2020.

- New Woodlands, in Downham Ward, is a special school which supports children from 5 to 16 who have Social, Emotional and Mental Health (SEMH) special educational needs. The school recently began admitting Key Stage 4 students, and some works have taken place over the summer holidays year to ensure there are adequate facilities onsite to provide a full curriculum from September 2020. This will include minor remodelling and refurbishment of the existing building, provision of a new food technology practical room, and improvements to existing landscaping and external play areas.

- Watergate is Lewisham’s primary special school for children between the ages of three and eleven years who have severe learning difficulties, located in Bellingham Ward. Approval has been granted to expand the school by 59 places through the construction of a new teaching block on the existing site. A feasibility has been conducted and is currently being reviewed with a view to commencing design work shortly.

13.6 **Schools – Minor Works Capital Programme**

The School Minor Works Programme (SMWP) is an ongoing programme of minor capital works to existing community school buildings, primarily relating to mechanical/electrical infrastructure and building fabric needs. The programme is grant funded by central government and has been consistently delivered on budget.

13.7 **Highways & Bridges**

The Council continues to invest resources in maintaining its 392km of highway borough roads, most notably through its £3.5m programme of carriageway and footway resurfacing works. The budget for carriageways allows for around 70 roads (or part of a road) to be resurfaced each year and, until 2017, the majority of these roads were those in the worst condition and categorised as “Red” – lengths of road in poor overall condition and in need of immediate further engineering assessment with a planned maintenance soon. In 2018/19 we carried out resurfacing to around 22km of roads from the Council’s Capital programme and other external funding sources. As a result of the resurfacing programme, over the last few years the focus has moved to works to roads classified with the Condition Index of “Amber” – lengths of road which, without a planned early intervention could result in further severe defects and move the Condition Index to “Red”. Early intervention using appropriate design, based on carriageway coring information and other factors like bus routes, high volume of traffic, usage and environment results in better value for money. From a survey in August 2019 there are around 54km of roads where the condition of part of these roads are classified as either “Red” or “Amber” and will require resurfacing works. There is also, however, an ongoing resurfacing maintenance commitment because the condition of the carriageway deteriorates through wear, age, excavations and failures.

The Council's long-term investment strategy is taking effect, as since 2013 the number of annual insurance claims against the Council for carriageway defects has reduced by approximately 50%.

As progress continues on the condition of carriageways, the balance of focus is also moving towards the footways programme where there are approximately 70 roads categorised as "Red" and a further 220 roads classified as "Amber" based on a condition survey in 2017. The proposal is to carry out essential footway replacement works in at least 10 roads from 2019/20 and increasing this number in future years.

13.8 Catford Town Centre

Architect's Studio Egret West has been appointed to develop a master plan to guide the regeneration of the Town Centre. The plan will be completed in spring 2020 and will form the basis of any future plan for the Town Centre. It will be used as an evidence base for the emerging Local Plan. Work is also continuing with TfL on the agreed proposal to realign the South Circular A205 through the Town Centre and work is expected to start in 2021. Meanwhile, the engagement activity of Team Catford has continued to build on the programme of social engagement started in 2016. The Team's work is expected to continue through the development of the master plan and beyond.

13.9 Asset Management Programme

Funding from the Asset Management Programme (AMP) has continued to support reactive and much needed capital works across the operational corporate estate. This has included fabric works such as roof replacement and mechanical works including boiler replacements and lift repairs across the estate of approximately 90 buildings and sites. More recently, the programme has funded works to the Civic Suite, Registry Office and some essential works as part of the main Laurence House refurbishment programme. A full condition survey of the corporate estate is currently under way. The results will help define the future investment need of the estate and also underpin the use of the AMP capital programme funding for future years.

13.10 Smart Working Programme

The Smarter Working programme seeks to consolidate offices and release sites for future redevelopment in Catford town centre, whilst refurbishing the council's main office site, Laurence House, to ensure it is fit for purpose until new council offices can be built. The ground floor was refurbished last year to provide a modern, welcoming and better functioning reception for the council. Refurbishment work on floors 1 to 5 was completed in October. The works includes an improved welfare provision, delivering new meeting rooms and kitchens, improving the heating and ventilation system, new energy efficient LED lighting, decoration and a layout and furniture which supports and encourages agile working. Further work is now being scoped out to deliver similar improvements to the library, customer services centre and the civic suite. The proposed works will be delivered next year.

13.11 Beckenham Place Park

The restoration of Beckenham Place Park (to the western side of the railway) has now been completed. The listed stable block is now home to the new park café and environmental education centre, and the long anticipated restored landscape, with its reinstated lake, is being enjoyed by thousands of local people.

The stable yard itself will become an arrival and visitor's hub, as new tenants take up occupation of the cottages over the next year.

The new play facilities are much loved, as part of the restored pleasure grounds, and the previously derelict Gardener's cottage is now fully restored and re-purposed as a hub for volunteer activity in the park, in the midst of the new community garden.

Open water swimming now takes place on the lake, and visitors will be encouraged to explore the breadth and nature of Lewisham's largest park on new paths and trails.

13.12 Lewisham Homes – Property Acquisition

This funding supports the delivery of the Lewisham Homes acquisitions programme that secures properties for temporary accommodation for homeless households, making a saving on the Council's spend on bed & breakfast accommodation.

13.13 Achilles Street

Residents on the Achilles Street Estate have now voted for the redevelopment of the estate to go ahead. Work is underway to carry out due diligence ahead of appointing an architect with estate residents. The scheme will deliver new homes for all existing residents as well as a significant number of new council owned homes for social rent.

13.14 Edward Street

Edward St will provide 34 new high-quality temporary accommodation homes for local families in housing need. Start on site planned early 2020 following tender and contractor appointment.

13.15 Residential Portfolio Acquisition – Hyde Housing Association

The acquisition of a portfolio currently comprising 120 residential properties from Hyde Housing Association, as per a report to Mayor & Cabinet on 13 March 2019.

13.16 Fleet vehicle replacement

This budget will finance the replacement of 75 vehicles in the Council's fleet in order to meet the approaching Low Emissions Zone (LEZ) changes in October 2020.

13.17 Housing Matters Programmes update

The majority of spend for the remainder of 2019/20 will relate to feasibility and planning application preparation for the new homes programme and delivery of a number of schemes by Lewisham Homes on site. Around 340 new social homes are forecast to achieve planning permission or start on site in 2020, assisted by grant funding from the GLA.

13.18 Decent Homes Programme

Lewisham Homes are responsible for ensuring council owned stock under their management is brought up to and maintained to a decent homes level, covering both internal and external enveloping works. Lewisham Homes are leading on the delivery

of the decent homes programme (under delegated powers) in consultation / agreement with the Council.

14. FINANCIAL IMPLICATIONS

- 14.1 This report concerns the financial forecasts for the 2019/20 financial year. However, there are no direct financial implications in noting these.

15. LEGAL IMPLICATIONS

- 15.1 The Council must act prudently in relation to the stewardship of Council taxpayers' funds. The Council must set and maintain a balanced budget.

16. CRIME AND DISORDER ACT IMPLICATIONS

- 16.1 There are no crime and disorder implications directly arising from this report.

17. EQUALITIES AND ENVIRONMENTAL IMPLICATIONS

- 17.1 There are no equalities or environmental implications directly arising from this report.

18. CONCLUSION

- 18.1 The council will continue to apply sound financial controls throughout the duration of the financial year. However, the short and medium term outlook remains difficult and challenging. Strong management and fiscal discipline will be required to enable the council to meet its financial targets for 2019/20 and beyond.

BACKGROUND PAPERS AND APPENDICES

| Short Title of Report | Date | Location | Contact |
|---------------------------------|--|--------------------------------------|-----------------|
| Financial Forecasts for 2019/20 | 10 th July 2019 (M&C) | 1 st Floor Laurence House | Selwyn Thompson |
| Financial Outturn for 2018/19 | 26 th June 2019 (M&C) | 1 st Floor Laurence House | Selwyn Thompson |
| 2019/20 Budget | 27 th February 2019 (Council) | 1 st Floor Laurence House | David Austin |

For further information on this report, please contact:
Selwyn Thompson, Director of Financial Services on 020 8314 6932

PROPOSED 19/20 CAPITAL PROGRAMME - APPROVED TO LATEST BUDGET

| | Total | Total |
|--|---------|----------------|
| | £'000 | £'000 |
| APPROVED CAPITAL PROGRAMME BUDGET | | |
| Full Council – 10th July 2019 | | 197,299 |
| | | |
| New Schemes | | |
| 9 -19 Rushey Green Project | 250 | |
| Acquisition of homes in inner LHA Area | 225 | |
| Freehold purchase of 8, Newquay Road | 275 | 750 |
| | <hr/> | |
| | | |
| Approved variations on existing schemes (including re-profiling to later years) | | |
| 2019 School Minor Works Programme | (63) | |
| Catford Regeneration Programme | (2,817) | |
| Excalibur | (1,129) | |
| Heathside & Lethbridge | (55) | |
| Highways Schemes (Non TfL) | (777) | |
| Highways – TfL | 1,009 | |
| Watson Street Streetscape Improvements | (130) | |
| Pupil Places Programme | (4,125) | |
| Fleet Programme | (7,298) | |
| Edward St. Development | (9,033) | |
| Asset Management Programme | 434 | |
| Lewisham Homes Property Acquisition | (3,000) | |
| Traveller's site Relocation | (1,065) | |
| CCTV Modernisation Plan | (835) | |
| Pepys Environmental | (616) | |
| Ladywell Leisure Centre Development site | (505) | |
| Beckenham Place Park | 600 | |
| Other schemes | 10 | (29,395) |
| | <hr/> | |
| | | |
| <u>Re- Phasing Budgets (Housing Revenue Account)</u> | | |
| Housing Matters Programme – Unallocated Funds | 920 | |
| Decent Homes Programme – Unallocated Funds | 578 | |
| | <hr/> | 1,498 |
| | | |
| Revised Capital Programme Budget 2019/20 | | 170,152 |
| | | <hr/> |

| Major Projects over £2m | 2019/20 | 2020/21 | 2021/22 | Total |
|--|--------------|--------------|--------------|--------------|
| | £m | £m | £m | £m |
| GENERAL FUND | | | | |
| Schools - School Places Programme | 7.0 | 10.5 | 2.8 | 20.3 |
| Schools – Minor Works Capital Programme | 3.8 | 0.1 | | 3.9 |
| Schools - Other Capital Works | 2.0 | | | 2.0 |
| Highways & Bridges - TfL | 3.2 | | | 3.2 |
| Highways & Bridges - LBL | 3.5 | 3.5 | 3.5 | 10.5 |
| Highways – Others | 1.4 | 1.4 | | 2.8 |
| Catford town centre | 2.3 | 3.6 | 1.1 | 7.0 |
| Asset Management Programme | 2.4 | 2.0 | 2.5 | 6.9 |
| Smart Working Programme | 2.7 | | | 2.7 |
| Beckenham Place Park | 3.0 | 0.4 | | 3.4 |
| Lewisham Homes – Property Acquisition | 0.0 | 3.0 | | 3.0 |
| Residential Portfolio Acquisition – Hyde Housing Association | 45.7 | | | 45.7 |
| Disabled Facilities Grant | 2.1 | 0.7 | | 2.8 |
| Private Sector Grants and Loans | 1.7 | 0.6 | 0.6 | 2.9 |
| Edward St. Development | 0.1 | 9.0 | | 9.1 |
| Achilles St. Development | 7.3 | | | 7.3 |
| Ladywell Leisure Centre Development Site | 0.5 | 1.2 | 0.8 | 2.5 |
| Fleet Replacement Programme | 0.5 | 8.1 | 0.8 | 9.4 |
| Other Schemes | 5.4 | 5.5 | 0.9 | 11.8 |
| | 94.6 | 49.6 | 13.0 | 157.2 |
| HOUSING REVENUE ACCOUNT | | | | |
| Housing Matters Programme | 22.0 | 46.0 | 86.1 | 154.1 |
| Decent Homes Programme | 52.0 | 37.2 | 30.6 | 119.8 |
| Other Schemes | 1.6 | 0.9 | 0.9 | 3.4 |
| | 75.6 | 84.1 | 117.6 | 277.3 |
| TOTAL PROGRAMME | 170.2 | 133.7 | 130.6 | 434.5 |