

PART 1 - PUBLIC

Decision Maker: Environment Portfolio Holder

Date: 4 March 2009

Decision Type: Non-Urgent Executive Non-Key

Title: BUDGET MONITORING REPORT 2008/09

Contact Officer: Claire Martin, Head of Finance
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Chief Officer: Nigel Davies, Director of Environmental Services

Ward: Boroughwide

1. Reason for report

This report provides an update of the latest budget monitoring position for 2008/09 for the Environment Portfolio based on expenditure and activity levels up to December 2008.

2. **RECOMMENDATION(S)**

The Portfolio Holder is requested to consider the latest projections that indicate that the Environment Portfolio will be underspent by £596k.

The PDS committee is asked to consider the latest budget monitoring projection.

Corporate Policy

1. Policy Status: Existing policy. Sound financial management
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: All Environment Portfolio Budgets
 4. Total current budget for this head: £36.1m
 5. Source of funding: Existing revenue budgets
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Staff

1. Number of staff (current and additional): 218
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory requirement. The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 20
 2. Call-in: Call-in is applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The services covered in this report affect all Council Taxpayers, Business Ratepayers, those who owe general income to the Council, all staff, Members and Pensioners.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 The 2008/09 projected outturn is detailed in Appendix 1, with a forecast of projected spend for each Division compared to latest approved budget and identifies in full the reason for any variances.

4. POLICY IMPLICATIONS

4.1 The Resources Portfolio Plan for 2008/09 includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.

4.2 Bromley's Best Value Performance Plan "Making a Difference" refers to the Council's intention to remain amongst the lowest Council Tax levels in outer London and the importance of greater focus on priorities.

4.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised in 2008/09 to minimise the risk of compounding financial pressures in future years.

4.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council's budgetary control and monitoring arrangements.

5. FINANCIAL IMPLICATIONS

5.1 There is a projected underspend of £498k within waste management services which mainly relates to income from the sale of recycled paper and a reduction in waste handling tonnages and is broken down as follows: -

Summary of variations in Waste	£'000
Recycling income from paper due to the increase in market indices that affect the price	(241)
Recycling income from other materials mainly glass	(3)
Shortfall of income from trade waste collections due to reduction in customers	20
Increase in income from trade waste delivered due to increase in activity	(59)
Projected overspend on salaries to cover maternity leave	12
Projected overspend on salaries for temporary Waste Advisors	31
Effect of latest inflation on waste contract being 1.7% higher than budgeted	52
Reduction in waste handling tonnages	(383)
Replacement of bulky waste containers	50
Other minor overspends	23
	(498)

5.2 **The projected overspend of £114k for street services is mainly due to the shortfall of income which is expected against the advertising target.**

5.3 The volume of defect notices issued for sub-standard reinstatement works by statutory provides is greater than estimated and has resulted in increased income of £473k. This is largely offset by the need to replace corroded street light columns identified through the testing programme £200k, £136k remedial works as a result of an increase in defect notices and a number of smaller variances full details of which are contained in Appendix 1.

5.4 A £9k projected overspend is forecast for the depots which relates to a contribution to capital to meet the overspend relating an old capital scheme for the depot workshop..

- 5.5 Transport is projecting a £49k overspend relating to mapping of requests onto the GIS system and additional costs for undertaking a review on the controlled parking zone.
- 5.5 Parking services is projected to generate additional net income of £272k and the main variances are shown below: -

Summary of variations in Parking

Reason for variation	Current Variation £'000
Extra income due to increased bus lane contraventions	(18)
Agency staff employed within CCTV camera team to deal with extra volume of contraventions	12
Income shortfall from Hill and Civic Centre car parks	232
Income re use of St Blaise car park by public at weekends	16
Surplus from other off street car parks	(47)
Agency staff to deal with processing extra volume of PCNs and help test new parking system/design reports	39
Business rates	(47)
Car park maintenance to improve public safety	36
Income from Orpington temporary parking arrangements after allowing for a virement of £50k towards an overspend on an old capital scheme of the depot workshop	(93)
Expansion of CPZ	29
Other income variations (mostly from Bromley on st)	(16)
PCN income from static and mobile CCTV cameras	(281)
Income relating to tickets issued in 2007/08	(126)
Other minor variations	(8)
	(272)

Non-Applicable Sections:	Legal and Personnel
Background Documents: (Access via Contact Officer)	2008/09 budget monitoring files within ES and ACS finance sections