



THE LONDON BOROUGH  
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## ENVIRONMENT POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

**Tuesday 7 July 2015**

### **6a PROVISIONAL OUTTURN 2014/15 (Pages 3 - 10)**

The appendices to this report are attached.

***Copies of the documents referred to above can be obtained from***  
***<http://cds.bromley.gov.uk/>***

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## Environment Portfolio Budget Monitoring Summary as at 31.03.2015

2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
Cr 6,461 1,247 <b>Cr 5,214</b>	<b>Customer &amp; Support Services</b> Parking Support Services	Cr 6,036 1,198 <b>Cr 4,838</b>	Cr 6,036 1,200 <b>Cr 4,836</b>	Cr 6,497 1,124 <b>Cr 5,373</b>	Cr 461 76 <b>Cr 537</b>	1-7 8	Cr 200 100 <b>Cr 300</b>	0 0 <b>0</b>
76 <b>76</b>	<b>Public Protection</b> Emergency Planning	75 <b>75</b>	75 <b>75</b>	77 <b>77</b>	2 <b>2</b>	9	0 <b>0</b>	0 <b>0</b>
4,135 2,540 Cr 18 5,775 481 17,085 <b>29,998</b>	<b>Street Scene &amp; Green Space</b> Area Management/Street Cleansing Highways Markets Parks and Green Space Street Regulation Waste Services	4,079 2,535 1 5,898 461 17,570 <b>30,544</b>	4,079 2,545 1 5,906 462 18,080 <b>31,073</b>	4,115 2,429 Cr 42 5,745 467 17,613 <b>30,327</b>	36 116 Cr 43 161 5 467 <b>Cr 746</b>	10 11 12 13 14 15	49 Cr 57 Cr 10 Cr 84 0 321 <b>219</b>	0 0 0 0 0 700 <b>700</b>
6,436 129 177 <b>6,742</b>	<b>Transport &amp; Highways</b> Highways incl London Permit Scheme Highways Planning Traffic & Road Safety	6,611 136 171 <b>6,918</b>	6,857 136 175 <b>7,168</b>	6,801 121 176 <b>7,098</b>	Cr 56 Cr 15 1 <b>Cr 70</b>	16 17 18	Cr 98 0 0 <b>Cr 98</b>	0 0 0 <b>0</b>
<b>31,602</b>	<b>TOTAL CONTROLLABLE</b>	<b>32,699</b>	<b>33,480</b>	<b>32,129</b>	<b>Cr 1,351</b>		<b>Cr 179</b>	<b>700</b>
7,391	<b>TOTAL NON-CONTROLLABLE</b>	6,386	6,238	6,238	0		Cr 34	0
2,035	<b>TOTAL EXCLUDED RECHARGES</b>	2,095	2,221	2,221	0		0	0
<b>41,028</b>	<b>PORTFOLIO TOTAL</b>	<b>41,180</b>	<b>41,939</b>	<b>40,588</b>	<b>Cr 1,351</b>		<b>Cr 213</b>	<b>700</b>

## Reconciliation of Latest Approved Budget

£'000

## Original budget 2014/15

41,180

Keston Ponds Dam carry-forward from 2013/14

65

Lead Local Flood Authorities

250

Increase in annual insurance premiums

98

Allocation of Merit Awards

18

Allocation for three split bodied waste vehicles

558

Public Health recharge adjustments

Cr 100

## Latest Approved Budget for 2014/15

42,069

## Memorandum Items

Capital Charges 5802

Cr 713

Deferred Charges (REFCUS) 5804

2,148

Impairment 5806

1,313

Gov Grants Deferred 5807

Cr 3,182

Insurance

232

Rent Income

Cr 41

Repairs &amp; Maintenance

Cr 206

IAS19 (FRS17)

207

Excluded Recharges

112

## Reported Latest Approved Budget for 2014/15

41,939

## **REASONS FOR VARIATIONS**

### **1. Income from Bus Lane Contraventions Cr £3k**

Due to a combination of greater compliance and the impact from the works at Bromley North which resulted in some areas becoming unenforceable from April 2014, a deficit of income of £35k was projected for 2014/15. However the suspended bus lane in Bromley North was reintroduced in March 2015 and the number of contraventions increased considerably, resulting in an overall surplus in bus lane PCN income of £3k.

### **2. Off Street Car Parking Cr £92k**

Overall there is a surplus of £105k for off street parking income. Cr £43k from Village Way multi-storey car park, Cr £37k from the Hill and Cr £24k from all other car parks. There is a minor variation in miscellaneous income of Cr £2k.

Other net variations within running expenses total Dr £14k.

The planned work for several car park barriers to be upgraded to provide remote access by the end of the year, at an estimated cost of £70k was not carried out. This was due to the software being incompatible with the barrier systems.

<b>Summary of variations within Off Street Car Parking</b>	<b>£'000</b>
Off Street Car Parking income - multi-storey car parks	Cr 78
Off Street Car Parking income - other surface car parks	Cr 26
Other miscellaneous income	Cr 2
Other variations in Supplies and Services	14
<b>Total variations within Off Street Parking</b>	<b>Cr 92</b>

### **3. On Street Car Parking Cr 180k**

There is an overall surplus of £92k for on street parking income. Major variations are within Bromley Town Centre with a net surplus of Cr £35k, Cr £18k from Orpington and Cr £39k from all other areas. There is additional miscellaneous income Cr £7k.

Management action was being taken to freeze the on-street equipment budget to part finance the cost of replacing some off-street car park barriers, Cr £52k.

Other variations include Cr £15k for Vinci contract costs and Cr £14k across all other operational budgets.

<b>Summary of variations within On Street Car Parking</b>	<b>£'000</b>
Income from Bromley Town Centre	Cr 35
Income from other areas	Cr 39
Income from Orpington	Cr 18
Miscellaneous Income	Cr 7
Management action - equipment budget	Cr 52
Vinci contract costs	Cr 15
Other minor variations on operational budgets	Cr 14
<b>Total variations within On Street Car Parking</b>	<b>Cr 180</b>

### **4. Car Parking Enforcement Cr £120k**

There is a net surplus of £157k from PCNs issued by Vinci in the current year due to an increase in contraventions that rose significantly in the last three months of the financial year. Additional income was also received for PCN contraventions in 2013/14 totalling Cr £18k.

The works in Bromley North undertaken earlier in the year led to areas becoming unenforceable. This has resulted in a net deficit of Dr £55k for parking contraventions, that were observed via the mobile and static cameras. This is partly offset by extra income received for tickets issued in 2013/14 of Cr £28k.

There are additional debt collection and registration fees of Dr £46k, due to the clearance of a backlog at the end of 2013/14 after the introduction of the new Parking IT system. Other net variations include Cr 26k for Vinci contract payments and Cr 2k on all other budgets.

<b>Summary of variations within Car Parking Enforcement</b>	<b>£'000</b>
Net additional costs re Debt Collection and Registration	46
Other net variations	8
Vinci contract payments	Cr 26
PCNs issued by wardens	Cr 175
PCNs issued by mobile & static cameras	27
<b>Total variations within Car Parking Enforcement</b>	<b>Cr 120</b>

#### **5. Parking Shared Service Cr £26k**

There is a net underspend on the Parking Shared Service of £26k mainly due to reduced postage costs because of lower volumes.

#### **6. Permit Parking Cr £31k**

Permits issued in 2014/15 generated additional income of £40k above the original budget, mainly as a result of the introduction of new resident parking schemes within the Borough. This was partly offset by additional costs of £9k.

#### **7. Disabled Parking Cr £9k**

This variation is made up of an underspend of Cr £11k for printing and stationery costs partly offset by a minor deficit of income of Dr £2k.

<b>Summary of overall variations within Parking:</b>	<b>£'000</b>
Bus Routes Enforcement	Cr 3
Off Street Car Parking	Cr 92
On Street Car Parking	Cr 180
Car Parking Enforcement	Cr 120
Parking Shared Service	Cr 26
Permit Parking	Cr 31
Disabled Parking	Cr 9
<b>Total variation for Parking</b>	<b>Cr 461</b>

#### **8. Support Services Cr £76k**

There is a net underspend within employee budgets of £77k. This is due to a combination of not replacing the Assistant Director of Customer & Support Services, a secondment not being backfilled, and delays in recruiting temporary cover. Other net variations total Dr £1k, resulting in the overall underspend of £76k.

#### **9. Emergency Planning Dr £2k**

Minor variations across the service have resulted in a net overspend of £2k.

## **10. Area Management & Street Cleansing Dr £36k**

Within the FPN littering offence scheme there is a deficit of £20k, relating to the period to 31st August 2014. This has arisen due to a combination of lower than anticipated income recovery rates, as well as fewer tickets issued than expected during this period, and therefore costs exceed income collected.

Following renegotiation of contract arrangements, it had been expected that the scheme would be cost neutral for the remaining part of the financial year, with any cost for income deficits being covered by the contractor. However, following further discussions with the contractor concerning income from the successful court case prosecutions, the contract is expected to cost £8k for the seven months to 31 March 2015. This cost has been met from variances across the Street Scene and Green Space division.

The budget for public conveniences has been overspent by Dr £51k. This is due to one-off de-commissioning costs, business rates and utility costs for sites that were sold or demolished late in the year, and the one-off compensation payment regarding the termination of the contract.

The overall variation on the street cleansing contract budget is Cr £38k. Resources of £44k have been re-allocated within the contract to meet additional service provision required for litter bins (£32k) and fly-tipping (£12k). Defaults issued against the contractor total Cr £38k.

Other minor variations across the service total Cr £5k.

### **Summary of variations within Area Management and Street Cleansing**

	£'000
Cleansing contract	Cr 38
Public conveniences	51
Other minor net variations	Cr 5
FPN Littering	28
<b>Total variation for Highways SSGS</b>	<b>36</b>

## **11. Highways SSGS Cr £116k**

There is a net underspend within staffing budgets of £29k due to the part-year effect of a vacant post and less agency cover than planned.

There is an underspend on Snow Friends of Cr 20k due to the mild winter and there being sufficient stocks of salt available. There had been plans to re-stock but this was not necessary. Other minor variations on operational budgets total Cr £14k.

There is a surplus of income from skip licences of £29k. This is due to a combination of a general upturn within the economy, as well as improved management systems and processes within the SSGS division. There is also a surplus of income from street traders' licences of £15k, giving a net surplus of £116k for the service.

Other miscellaneous income of Cr £9k has been transferred from the deposits register relating to highways works undertaken.

### **Summary of variations within Highways SSGS**

	£'000
Underspend within staffing	Cr 29
Snow Friends	Cr 20
Net minor variations on operational budgets	Cr 14
Surplus income - skip licences & street trader licences	Cr 44
Miscellaneous income	Cr 9
<b>Total variation for Highways SSGS</b>	<b>Cr 116</b>

## **12. Markets Cr £43k**

There is an income surplus of £33k due to higher customer activity than previously anticipated. Other variations across supplies and services budgets of Cr £10k, resulting in a net underspend for the service of £43k.

### **13. Parks & Green Space Cr £161k**

Within employee related budgets there is a net underspend of £69k. This is largely due to vacancies within the Grounds Maintenance team, and reduced hours working within the Park Ranger service.

There is an underspend within utility budgets of £33k. This is largely due to rebates received in instances where actual charges have now replaced previous estimates.

Within woodland & countryside budgets there is an underspend of £40k. Although works at Keston, Hayes and other sites had been planned and ordered earlier in the financial year, the contractors were unable to deliver these works due to time constraints and increased pressure on their own workloads. A carry-forward request is therefore being made to the June Executive in order to add this sum into 2015/16 budgets where due to a reduced woodland work programme, the same pressurised situation is not anticipated to occur.

The Executive agreed in June 2014 to carry-forward £65k of unspent funds from the 2013-14 budget which had been earmarked for repair works to the dam at Keston Ponds. During 2014-15, £45k of this has been spent, leaving an underspend of £20k. This amount had been earmarked for remedial tree works on the banks between ponds 2 & 3. Unfortunately, as with the other woodland works, the contractor was not able to undertake this task, although will be able to in the coming season, and therefore it is requested to carry-forward the sum into 2015/16 budgets.

There are other net variations across the service totalling Dr £1k, giving rise to the overall net underspend of Cr £161k.

#### **Summary of variations - within Parks & Green Space**

	£'000
Underspend within employee costs	Cr 69
Underspend within utility budgets	Cr 33
Underspend within countryside & woodland budgets (c/forward request to be made)	Cr 40
Underspend re Keston Ponds dam (c/forward request to be made)	Cr 20
Other minor variations	1
<b>Total variations - Parks &amp; Green Space</b>	<b>Cr 161</b>

### **14. Street Regulation Dr £5k**

Minor variations across the service have resulted in a net overspend of £5k.

### **15. Waste Services Cr £467k**

There is a net overspend within waste disposal tonnages, excluding garden waste, of £145k. £23k of this relates directly to the extra disposal tonnage generated by the increase in trade waste delivered activity, as reflected from the extra income. The balance of £122k is the net effect of the increase in residual household tonnage of 820 tonnes and the reduction in recycled paper tonnage (1,195 tonnes).

Tonnages of residual waste and recycle rose consistently in the first 9 months of the year, and the previous projection assumed this trend would continue. However, tonnages of both residual and recyclable waste fell sharply in the last quarter of the year, resulting in a lower increase than had previously been projected.

The green garden waste tonnage was 760 tonnes higher than last year, resulting in an overspend of £34k. This tonnage is lower than the last reported projection (1,400 tonnes), despite on-going increases in customer numbers. This demonstrates the difficulty of projecting green waste tonnages due to their reliance on seasonal and weather-based factors.

The green garden waste collection service has underspent by £123k, in line with the last reported projections. This is due to a number of factors, staffing and running expenses were £11k higher than budgeted, intermittent use of the fourth vehicle produced a saving of £124k, the continuing sale of green garden waste stickers generated Cr 24k more than expected and there was a small deficit of Dr £14k for the targeted wheelie bin income.

Reduced tonnages of paper collected from households has resulted in a deficit of income from paper recycling of £95k. Paper tonnages have been reducing for the last two years, and it is likely that this trend will continue into future years.

There is a deficit within income from trade waste collections of £79k. This has arisen where around 4% of commercial customers have withdrawn from the services since April 2014.

Within trade waste delivered income, there is a surplus of £118k, resulting from higher activity than budgeted. This more than offsets the disposal costs of the additional tonnage generated.

Other minor net variations across the service total Cr £21k.

On 23rd February 2015, full Council approved an allocation of £558k to purchase three split-bodied vehicles to enable the revised frequency of the kerbside collection paper service to be implemented. This service change was designed to generate a substantive saving whilst also reflecting the changes in the tonnages for material being collected. The purchase of these vehicles will be completed during 2015/16 and therefore the allocation is shown as unspent for 2014/15. A request will be made to the Executive in June 2015 to carry this sum forward to 2015-16.

<b>Summary of variations within Waste Services</b>	<b>£'000</b>
Waste disposal tonnages	145
Waste disposal tonnages - green garden waste	34
Underspend from green garden waste collection scheme	Cr 123
Paper recycling income	95
Trade waste collection income	79
Trade waste delivered income	Cr 118
Other net variations	Cr 21
Waste vehicles (c/fwd request to be made to June Exec)	Cr 558
<b>Total variation for Waste Services</b>	<b>Cr 467</b>

#### **16. Highways (incl London Permit Scheme) Cr 56k**

Within NRSWA income there is a net surplus of £20k. Although there is a deficit of £30k for defect notices, this has been more than offset by the release of a bad debt provision of £50k which is no longer required related to some older debt.

Other miscellaneous income of Cr £40k has been transferred from the deposits register relating to highways works undertaken.

The additional NRSWA and deposit income has been used to fund extra highways planned maintenance works totalling £46k, for roads in need of urgent repair.

The winter service budgets have underspent by £55k, essentially due to the relatively mild winter and lack of snowfall. The table below gives a breakdown of winter service budgets, final expenditure and variances: -

<b>Winter Service</b>	<b>Budget £'000</b>	<b>Outturn £'000</b>	<b>Variance £'000</b>
Salt, gritting & snow clearance	161	136 Cr	25
Met Office Costs	25	31	6
Vehicle / plant maintenance & repairs	110	96 Cr	14
Standby / training / overtime and other costs	106	84 Cr	22
<b>Winter Service Totals</b>	<b>402</b>	<b>347 Cr</b>	<b>55</b>

There are other net underspends of Dr £13k across Highways budgets, resulting in an overall underspend of £56k for the service.



<b>Summary of variations within Highways (incl London Permit Scheme)</b>		<b>£'000</b>
Street works income	Cr	20
Miscellaneous income from deposit register	Cr	40
Additional carriageway & footway maintenance works		46
Winter service	Cr	55
Other net variations		13
<b>Total variation for Highways</b>	<b>Cr</b>	<b>56</b>

#### **17. Highways Planning Cr £15k**

Minor net variations across the service total Cr £15k, of which £9k is for additional income.

#### **18. Traffic & Road Safety Dr £1k**

Minor variations across the service have resulted in a net overspend of £1k.

**Analysis of Members' Initiatives - Earmarked Reserves @ 31.3.15**

Item	Divison / Service Area	Responsible Officer	Allocation £'000	Spend To 31.3.15 £'000	Balance Available £'000	Comments on Progress of Scheme
Footways, Highways & General Improvements	T&H - Highways	Garry Warner	750	750	0	Scheme completed.
Support for Friends Groups	SS&GS - Parks & Green Space	Louise Simpson	250	2	248	No expenditure authorised in 2014/15 - officers do not expect any spend in the immediate future
Renewal / Replacement of Community Recycling Sites	SS&GS - Waste	John Woodruff	150	150	0	Scheme completed.
<b>TOTAL</b>			<b>1,150</b>	<b>902</b>	<b>248</b>	