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DATE: 20 January 2014

To: Members of the
ENVIRONMENT POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Councillor William Huntington-Thresher (Chairman)
Councillor Samaris Huntington-Thresher (Vice-Chairman)
Councillors Reg Adams, Judi Ellis, John Getgood, Julian Grainger, David Jefferys,
Nick Milner and Catherine Rideout

A meeting of the Environment Policy Development and Scrutiny Committee will be held at Bromley Civic Centre on **WEDNESDAY 29 JANUARY 2014 AT 7.30 PM**

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
www.bromley.gov.uk/meetings

A G E N D A

PART 1 AGENDA

Note for Members: Members are reminded that Officer contact details are shown on each report and Members are welcome to raise questions in advance of the meeting.

STANDARD ITEMS

- 1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 DECLARATIONS OF INTEREST**
- 3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

In accordance with the Council's Constitution, questions to this Committee must be received in writing four working days before the date of the meeting. Therefore please ensure that questions are received by the Democratic Services Team by 5pm on Thursday 23rd January 2014.

- 4 MINUTES OF THE ENVIRONMENT PDS COMMITTEE MEETING HELD ON 19TH NOVEMBER 2013 (Pages 3 - 14)**

HOLDING THE PORTFOLIO HOLDER TO ACCOUNT

5 QUESTIONS TO THE PORTFOLIO HOLDER FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to the Portfolio Holder must be received in writing four working days before the date of the meeting. Therefore please ensure that questions are received by the Democratic Services Team by 5pm on Thursday 23rd January 2014.

6 PRE-DECISION SCRUTINY OF REPORTS TO THE ENVIRONMENT PORTFOLIO HOLDER

The Environment Portfolio Holder to present scheduled reports for pre-decision scrutiny on matters where he is minded to make decisions.

- a BUDGET MONITORING 2013/14** (Pages 15 - 28)
- b CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2013/14**
(Pages 29 - 34)
- c PARKING BAILIFF SERVICES** (Pages 35 - 42)
- d PLANNED HIGHWAY MAINTENANCE PROGRAMME** (Pages 43 - 58)
- e PROCUREMENT STRATEGY FOR NON-PROGRAMMED PARKS WORKS EXPENDITURE** (To Follow)
- f SOFT LANDSCAPING TENDERING** (To Follow)

POLICY DEVELOPMENT AND OTHER ITEMS

7 THE STREET ENVIRONMENT CONTRACT REVIEW 2012-13 (Pages 59 - 70)

8 DRAFT 2014/15 BUDGET (Pages 71 - 88)

9 FORWARD WORK PROGRAMME, MATTERS ARISING FROM PREVIOUS MEETINGS AND CONTRACTS REGISTER (Pages 89 - 96)

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ENVIRONMENT POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Minutes of the meeting held at 7.30 pm on 19 November 2013

Present:

Councillor William Huntington-Thresher (Chairman)
Councillor Samaris Huntington-Thresher (Vice-Chairman)
Councillors Peter Fookes, Julian Grainger, David Jefferys,
Nick Milner and Catherine Rideout

Also Present:

Councillor Peter Fortune and Councillor Colin Smith

22 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor John Getgood – Councillor Peter Fookes attended as his substitute, from Councillor Reg Adams and from Councillor Judi Ellis.

23 DECLARATIONS OF INTEREST

There were no declarations of interest.

24 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions were had been received for the Committee.

25 MINUTES OF THE ENVIRONMENT PDS COMMITTEE MEETING HELD ON 1ST OCTOBER 2013

RESOLVED that the minutes of the meeting held on 1st October 2013 be confirmed.

26 QUESTIONS TO THE PORTFOLIO HOLDER FROM MEMBERS OF THE PUBLIC AND COUNCILLORS ATTENDING THE MEETING

Three questions had been received for written reply from Mr Colin Willetts – details of the questions and responses are set out at [appendix A](#).

27 PRE-DECISION SCRUTINY OF REPORTS TO THE ENVIRONMENT PORTFOLIO HOLDER

A) BUDGET MONITORING 2013/14
Report ES13144

The Committee received the latest update on budget monitoring position for the Environment Portfolio, based on expenditure and activity levels up to 30th September 2013, and on progress with the implementation of the selected projects within the Member Priority Initiatives. Budget monitoring showed a projected overspend of £670k.

The Committee discussed the advice that had been received from the Environment Agency (EA) that fallen leaves collected from roads should not be composted due to concerns about contaminated materials entering the food-chain. This was guidance and not a change in legislation (although the EA had linked the guidance to the Environmental Permitting (England and Wales) Regulations 2010) but there was also market pressure from processors and the agricultural sector. Officers considered that the guidance was based on questionable test results, and that most leaf fall from roads and pavements could be safely composted, if crushed material was excluded and treated as detritus. Councillor Julian Grainger commented that there was evidence about pollution levels at varying distances from different types of roads, and that there should be scope for using leaves from grass verges. The Council, in common with other authorities, had been lobbying hard on this issue and pressing for further testing. As the Council was projecting additional costs of £140k in 2013/14 due to this problem and the higher cost of recycling detritus the Committee considered that there was a good case for paying for independent testing. The Committee suggested that the Environment Agency be asked first whether the guidance could be relaxed if testing confirmed that leaves from the highway were acceptable.

Officers reported that they would be meeting with DEFRA in a couple of weeks, following which there would be more clarity about separation of materials for recycling for kerbside collection. Residents wanted the convenience of one box, whereas the industry, supported by the European Union, was pressing for greater separation. However, the major concern for the industry was keeping glass and paper separate, which Bromley's collection method already achieved. Paper recycling tonnages had reduced leading to a projected budget deficit of £130k. It was unclear why this was the case, but it was probably due to more residents moving to electronic forms of communication. It was confirmed that polystyrene could not currently be recycled, but it was incinerated where possible rather than sent for landfill.

The Committee requested that the Budget Monitoring Summary should provide more information on new variations since the last report, as well as since the original budget.

The report included a recommendation that the Executive be requested to approve the drawdown of £200k held in central contingency for the street

cleansing contract to meet the costs of additional street cleaning needed following the recent storm and due to new requirements for the disposal of leaves and detritus. The Portfolio Holder stated that as this was largely a new burden the money should be found corporately and not from the environment street cleaning contingency. The Committee supported this approach.

RESOLVED that the Portfolio Holder be recommended to

(1) endorse the latest 2013/14 budget projection for the Environment Portfolio;

(2) note the progress of the implementation of the Environment projects within the Member Priority Initiatives programme; and

(3) request that the Executive provides additional funding in 2013/14, without drawing down from the £200k held in central contingency for the street cleansing contract, to meet additional disposal costs for leaves and detritus.

B) WASTE SITE SUPERVISORS
Report ES13107

The Committee considered a report proposing the outsourcing of the Site Supervisor function at the Council's Household Waste Recycling Centres at Waldo Road and Churchfields Road. It was proposed that Veolia, the Council's Waste Management contractor, would take over responsibility for providing this service and two staff would transfer to them under TUPE arrangements. The report outlined the contract variation required, the savings that would accrue to the Council and details of the staff consultation on the proposals.

Following questions from Councillor Grainger, it was confirmed that if in future the current post-holders left and new supervisors were employed they would not have any right to join the Council's pension scheme. Indeed the two post-holders due to transfer would move to an alternative final salary pension scheme provided by Veolia.

RESOLVED that the Portfolio Holder be recommended to agree the proposed contract variation to facilitate the transfer of staff from the Council to Veolia.

C) ON-STREET LITTER ENFORCEMENT CONTRACT
Report ES13127

The Committee received an update on the use of Kingdom Security Ltd to provide an enforcement service serving fixed penalty notices (FPNs) for littering and dog fouling offences and outlining a strategy for the future delivery of this service.

The Committee noted that there was currently a net cost for the contract, partly as a result of low recovery rates for the Fixed Penalty Notices (FPNs) issued which now stood at 47%. Members questioned whether the initial expectations of recovery rates had been too ambitious, and suggested that there was a need for a wider programme of education, possibly on a pan-London basis. They also mentioned anecdotal evidence of people being penalised for dropping items by mistake, or smokers being penalised for stubbing out cigarettes on the floor without being given the opportunity to pick up the stub. Officers confirmed that enforcement officers were trained to avoid this, and that FPNs issued by over-zealous officers had been voided.

There were a number of factors related to the low rate of recovery, including difficulties with obtaining correct identification, problems with the IT system (officers were looking at using the parking system instead), the need for robust processing and ensuring that tickets were only issued that could be enforced. Officers were investigating the recovery rates and approaches taken by other Councils, such as Enfield, Croydon and Medway, including offering discounts for early payment. Members questioned whether it was possible to measure the value of the deterrent effect of the contract and prove that littering was reduced. This was difficult to achieve, and officers were not aware of any other councils that had found a suitable methodology, but this would be investigated as part of preparing for the new contract. Officers were looking at different delivery models for this new contract to ensure that it would break even. The Portfolio Holder commented that the contract would have to pay for itself otherwise he would consider stopping it. He also cautioned against the aggressive issuing of tickets just to push up rates.

A Member asked whether photographs of litter and offenders were stored to target repeat offenders. It was confirmed that the enforcement officers did wear body cameras to provide a record of their activity, but action was only taken immediately after people were witnessed dropping litter.

RESOLVED that the Portfolio Holder be recommended to

(1) approve the extension of the existing concessionary contract arrangement to 31st May 2014 with an appropriate provider through a negotiated contract;

(2) authorise officers to review the existing service model and enter into negotiations, through a concessionary pricing contract, with service providers to establish an appropriate service model from 1st June 2014.

D) SEVENOAKS WAY (A224) PROPOSED UTC SCOOT SYSTEM
Report ES13099

The section of the A224 along Cray Avenue and Sevenoaks Way was one of the most congested stretches of road in the borough, and various proposals had been made over the years to aid traffic movement and reduce congestion. Some of these schemes were in the process of installation, but in order to maximise the benefit of these improvements it was proposed to install

a system that would link the traffic lights along the route and improve traffic flow.

The Chairman asked whether it would be possible to extend the SCOOT system to Kemnal Technology College in the north and to Carlton Parade in the south. It was possible to add the pelican crossing at Kemnal Technology College, although officers considered that there would be little benefit in this. The traffic signals at Carlton Parade were due to be updated by TfL in the next few years; only once this was done it could these be included.

Councillor Grainger asked about pelican crossings responding to pedestrians pressing the button to the detriment of traffic flow – he was concerned about a crossing in Pratts Bottom. He was informed that pelican crossings should be programmed to give longer delays if the button was pressed repeatedly, and officers undertook to discuss this particular case with him.

RESOLVED that the Portfolio Holder be recommended to

(1) approve the proposal to introduce a UTC Scoot system on this section of the A224 Cray Avenue/Sevenoaks Road, from Poverest Road to Main Road; and

(2) delegate authority to the Executive Director of Environment and Community Services, in consultation with the Portfolio Holder and Ward Members, to approve the scheme's detailed design.

E) CRAY AVENUE: PROPOSED NEW CYCLE FACILITY
Report ES13112

A new off-road cycle facility was proposed in Cray Avenue, Orpington, to provide improved facilities for cyclists between the junctions of Poverest Road and St Mary Cray Station Approach. Detailed plans of the proposals were tabled at the meeting. Councillor Peter Fortune, Executive Assistant and Cray Valley East ward councillor, commended Angus Culverwell and his team for their extensive consultation on the proposed scheme with ward members and residents.

Councillor Grainger asked whether it would be possible to move the cycle lane across to widen the main carriageway just to the north of Poverest Road. Officers confirmed that there probably was space to move the cycle lane over, but this had not been part of the brief for the scheme. The precise route of the cycle lane had been chosen to take into account the surface tree roots along this stretch of road.

The new cycle route would be on the western side of the road, carrying cycle traffic in both directions – it was suggested that this should be made very clear to cyclists. Members also questioned whether the surface of the cycle lane would be smooth enough to make cyclists want to use it - the surface of the recently installed cycle route on Court Road appeared to be too ridged. Officers explained that this was probably due to route in Court Road being

over rougher ground, and this was not anticipated to be a problem in Cray Avenue.

Officers were asked what measures were in place to ensure that cyclists were aware of traffic turning left off the main road, for example at the entrance to Denvale Trade Centre. This would be checked, but the usual approach was to paint give way markings in the surface of the cycle lane.

RESOLVED that the Portfolio Holder be recommended to

(1) agree the proposal to implement a new cycle facility, as detailed in the drawings submitted at the meeting; and

(2) delegate authority to the Executive Director of Environment and Community Services, in consultation with the Portfolio Holder and Ward Members, for any specification changes considered necessary at the detailed design stage.

28 SHARED PARKING SERVICE; PROGRESS REPORT
Report ES13125

The Committee was informed about progress made following the creation of the shared parking service with LB Bexley, and the issues that had arisen during the first six months of operations. Full year savings for Bromley were originally expected to be £94k, but were now anticipated to be £114k. The report had already been considered by the Parking Working Group at its meeting on 9th October 2013.

RESOLVED that the report be noted.

29 ENVIRONMENT PORTFOLIO PLAN 2013/14; HALF-YEAR PROGRESS REPORT
Report ES13122

The report outlined progress at the half-year stage against commitments made in the 2013/14 Environment Portfolio Plan. Members raised the following issues –

- (a) Kerbside Collection of Textiles - This was still being investigated to find the most suitable methodology. The existing waste collection vehicles did not have an additional container for textiles, while a separate dedicated collection would be expensive. Despite the delay income targets were still being met from the bring-banks. The Portfolio Holder pointed out that income from bring-banks would drop when kerbside collection started.
- (b) Recycling of Carpets - Collection facilities for carpets at Waldo Road and Churchfields Road were being considered, but the variety of materials in carpets meant that this was not straightforward.

- (c) Organic Waste – The Portfolio Holder reported that there was broad cross-party support for AD facilities at London Councils and confidence that pollution controls were adequate, but there was usually local opposition. Councillor Grainger asked whether there was a possibility of building smaller, more local AD plants.
- (d) Transport Strategy - Councillor Peter Fookes suggested that there was a need for a transport strategy statement that took into account the aims for extending the DLR to Bromley and Tramlink to Crystal Palace.
- (e) Leaf Clearance - Councillor Peter Fookes commented that he thought that leaf clearance in some areas of Bromley could be improved, and that residents needed more information about when leaves would be collected. The Portfolio Holder responded that the borough had more street trees than other boroughs, so leaves were more of a problem in Bromley. Leaf collection depended on when particular trees shed their leaves, so it was difficult to make detailed plans in advance, but extra crews had been brought in and residents were being encouraged to use the “purple bag” scheme.
- (f) Coordination of Streetworks – Councillor Peter Fookes asked whether webcams in key locations might assist the public in checking whether delays were likely. The Executive Director of Environment and Community Services confirmed that all highway works had to be logged with the Council and that there was London-wide coordination. On occasion the Council did postpone planned works, but the system depended on the utilities passing on information quickly and emergency works presented a challenge. The Council had, in April 2013, launched web-based system mapping all known planned and emergency works and giving members of the public the opportunity to set up text alerts. Councillor Catherine Rideout drew attention to problems caused by roadworks in Westmoreland Road – officers responded that there had been some short-term emergency works, but these had now been completed.
- (g) Satisfaction Survey - The Executive Director of Environment and Community Services reported that a recent independent survey had shown a 75% resident satisfaction rate with street cleanliness.
- (h) Lamp Column Replacement Invest to Save Project – Councillor David Jefferys reported that there had been problems and delays with the project in Shortlands Ward, and also in neighbouring Copers Cope Ward – he stated that he would provide officers with a list of specific issues after the meeting, and asked what could be done to penalise the contractor and improve project management. Other Members commented that there had been no systematic problems in their wards. Officers accepted that there had been teething problems with the project in some areas. Project management had been tightened up and a board put in place chaired by the PDS Committee Chairman to oversee progress. The initial aim of installing 140 columns per month

had been scaled back to 100 columns per month, so that installation of the columns did not run too far ahead of the electrical connections, and the aim now was to complete each column within 10 working days. The contractor had to provide exception reports where this was not achieved. Since the start of the financial year over 2,000 columns had been installed with about 200 complaints received (10%); the contractor had been informed at the last project board meeting that this ratio needed to be reduced.

- (i) Travellers - Councillor Nicholas Milner reported that the recent occupation of the Beckenham Spa car park by travellers was a great concern for local residents. The Portfolio Holder responded that the Council was reliant on the Police and their priorities to tackle the problem. There would be a programme to provide gates or barriers at vulnerable locations in parks.
- (j) Parking near Stations - Councillor Grainger asked whether it would be possible to establish whether commuters parking near stations were local residents or were driving in from outside the borough. The Portfolio Holder responded that this would require permission from the DVLA to check licence plates, but the issue remained of what could be done with this information. Councillor Samaris Huntington-Thresher added that in her opinion "rail-heading" should not be viewed as a problem, as it probably prevented commuters driving through the borough towards central London. It was noted that the scheme to improve parking at Orpington Station was now due to commence in January 2014 for completion within five months – there would be an impact on traffic and parking during construction. Councillor Julian Grainger suggested that there were a number of locations in his ward where yellow lines could be removed.
- (k) Parking at the Princess Royal University Hospital (PRUH) – Officers reported that they had held a useful meeting with Kings College Hospital, focussing on two major issues. Firstly, additional temporary accommodation was being provided for staff and there were some highways issues relating to this. Secondly, initial discussions had been held about providing an extra car parking deck at the PRUH and a business case and feasibility study were being developed. Kings had already carried out a similar project at their Denmark Hill site.

The Chairman concluded by stating that the Committee was pleased with the overall good progress in meeting the priorities set out in the Plan.

RESOLVED that the report be noted.

**30 FORWARD WORK PROGRAMME, MATTERS ARISING FROM
PREVIOUS MEETINGS AND CONTRACTS REGISTER**
Report ES13115

The Committee received a report summarising its work programme, progress on previous committee requests and the summary of Environment Portfolio contracts.

Councillor Grainger suggested that the notes from the 2012 LIP review could contribute to a draft transport strategy for the borough. He advised that the Contracts Register Summary at Appendix 3 would need to have more detail about extensions in future as a result of requests from Audit Sub-Committee. He also asked that the meaning of the “Total Value” column be clarified and its accuracy checked.

It was explained that the “Ambulance Hire” contract related to the social services transport fleet operated by Care Services but commissioned by the Environment and Community Services Department. The contract had been extended for a year while future fleet strategy was reviewed. The Chairman stated that he would discuss the matter with the Chairman of the Care Services PDS Committee.

RESOLVED that the work programme, progress on matters raised at previous meetings and the summary of Environment Portfolio contracts be noted.

The Meeting ended at 9.30 pm

Chairman

APPENDIX A

**QUESTIONS TO THE PORTFOLIO HOLDER FROM MR COLIN WILLETTS
FOR WRITTEN REPLY**

1. Since we have noted several recycling banks still full after reporting, could the Portfolio Holder tell us the individual schedules for emptying (presuming this is not ad hoc) recycling banks- a) textile, b) green glass, c) clear glass, d) mixed plastics & e) paper at i) Cotmandene Crescent & ii) Station Approach, St Mary Cray?

Reply

Regarding Cotmandene Car Park, St Mary Cray:

Glass (all collections) – Fortnightly (Thursday or Friday - Week 1*)

Textiles – Twice Weekly (Monday & Friday)

Paper & Cardboard – Twice Weekly (Monday & Thursday)

Cans & Plastic Bottles – Weekly (Thursday)

*Week 1 is the same week that the domestic non-recyclable waste service is delivered in this area. The collections of glass banks are made either on the Thursday or Friday dependent on the volume of glass recycle collected throughout the week.

Regarding Station Approach, St Mary Cray:

Glass (all collections) – Monthly (Thursday or Friday – 1st week of Month)

Textiles – Weekly (Friday)

Paper & Cardboard – Weekly (Monday)

Cans & Plastic Bottles – Weekly (Thursday)

Note that these are the guideline schedules and variances to these collection dates may occur from time to time due to the availability of the specialist vehicle that is employed by the contractors in making these collections. For example, the Hi-Ab vehicle requires maintenance for both the vehicle and the lifting crane which may cause variance in the collection days from time to time.

Each of these sites is monitored on Monday, Wednesday and Friday by our contractor Veolia with a view to advising Waste Services when the bins are approaching full to enable extra ad-hoc collections to take place if necessary.

2. Bearing in mind the increase of footfall following completion of the Croudace site coupled with continued tree root growth trip hazards

particularly adjacent bus stop/drop kerb crossing for Leeson's pupils could the Portfolio Holder programme in footway renewals for 262 Chipperfield Road down to opposite 293.

Reply

The planned maintenance programme for footways and carriageways is based on annual condition surveys, and Chipperfield Road will be considered as part of this process

3. In the Cray Valley Road 30/10/13 we noted that the green & clear glass banks were both full (as were Station Approach), could the Portfolio Holder tell us the scheduled dates of this secondary site (if indeed it is) for removal of each individual recycling bank as set out in question 1?

Reply

The emptying schedule for the recycling banks located in Oasthouse Way, on the corner of Cray Valley is as follows;

Glass (all collections) – Monthly (Thursday or Friday – 1st week of Month)
Textiles – Weekly (Friday)
Paper & Cardboard – Weekly (Monday)
Cans & Plastic Bottles – Weekly (Thursday)

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Report No.
FSD14007

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment Portfolio Holder

For Pre-Decision Scrutiny by the Environment PDS Committee on

Date: 29th January 2014

Decision Type: Non-Urgent Executive Non-Key

Title: BUDGET MONITORING 2013/14

Contact Officer: Claire Martin, Head of Finance
Tel: 020 8313 4286 E-mail: Claire.martin@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: Borough-wide

1. Reason for report

This report provides an update of the latest budget monitoring position for 2013/14 for the Environment Portfolio, based on expenditure and activity levels up to 30th November 2013. This shows a projected overspend of £115k.

It also reports the level of expenditure and progress with the implementation of the selected projects within the Member Priority Initiatives.

2. **RECOMMENDATIONS**

That the Environment Portfolio Holder:

2.1 **Endorses the latest 2013/14 budget projection for the Environment Portfolio;**

2.2 **Notes the progress of the implementation of the Environment projects within the Member Priority Initiatives programme.**

Corporate Policy

1. Policy Status: Existing Policy Sound financial management.
 2. BBB Priority: Excellent Council; Quality Environment
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: All Environment Portfolio Budgets and Earmarked Reserve for Member Priority Initiatives
 4. Total current budget for this head: £41.3m and £1.15m
 5. Source of funding: Existing revenue budgets 2013/14 and Earmarked Reserve for Member Priority Initiatives
-

Staff

1. Number of staff (current and additional): 197.4 fte
 2. If from existing staff resources, number of staff hours: N/A
-

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 2002
 2. Call-in: Applicable
-

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? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The 2013/14 projected outturn is detailed in Appendix 1. This forecast's the projected spend for each division compared to the latest approved budget, and identifies in full the reason for any variances.
- 3.2 Costs attributable to individual services have been classified as "controllable" and "non-controllable" in Appendix 1. Budget holders have full responsibility for those budgets classified as "controllable" as any variations relate to those factors over which the budget holder has, in general, direct control. "Non-controllable" budgets are those which are managed outside of individual budget holder's service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include, for example, building maintenance costs and property rents which are managed by the Property Division but are allocated within individual departmental/portfolio budgets to reflect the full cost of the service. As such, any variations arising are shown as "non-controllable" within services but "controllable" within the Resources Portfolio. Other examples include cross departmental recharges and capital financing costs. This approach, which is reflected in financial monitoring reports to budget holders, should ensure clearer accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the "controllable" budget variations relating to portfolios in considering financial performance. These variations will include the costs related to the recession.
- 3.3 Council on 26th March 2012 approved the setting aside of £2.26m in an earmarked reserve for Member priority initiatives. The Environment Portfolio is responsible for the delivery of three of these initiatives as detailed below:-

Member Priority Initiatives	£'000
General Improvements to footways and highways	750
Support to Friends Groups	250
Renew/replace the Council's community recycling sites	150
	<u><u>1,150</u></u>

- 3.4 Appendix 2 has the details of the progress of each of the schemes.

4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan 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 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 2012/13 to minimise the risk of compounding financial pressures in future years.
- 4.3 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 The main variations compared to the last reported budget monitoring report are as follows: -

Variation	£'000
Drawdown from central contingency for net loss of income re Westmoreland Road Car Park	-546
Drawdown from central contingency for additional cost of disposal of detritus and leaves	-140
Street tree maintenance overspend due to October storm	60
Parks tree maintenance overspend due to October storm	60
Increase in waste disposal tonnages	50
Business rate rebate for some off street car parks	-30
Other minor variations across the Portfolio	-25
	-571

5.2 Although the overall budget shows an overspend of £115k for 2013/14, the controllable budget for the Environment Portfolio is projected to be overspent by £109k at the year end based on financial information available to 30th November 2013. Within this projection there are major variations which are detailed in Appendix 1 and summarised below.

Parking

5.3 A shortfall in income totalling Dr £47k is projected for on- and off-street parking, mainly from the two multi-storey car parks within Bromley Town Centre. An increase in parking contraventions during the first six months has resulted in additional income being projected of £150k compared to budget. £50k of this surplus is being used replace handheld equipment used for parking enforcement.

5.4 Other variations within parking include Cr £30k rebate for business rates and Cr £62k underspend across contract payments and various running expenses.

Street Scene & Green Space

5.5 Reduced tonnages of recycled paper have meant that a deficit of £120k is projected. This is partly offset by additional income of £45k mainly from trade waste delivered customers.

5.6 3% of commercial customers have withdrawn from the trade waste collected service resulting in a loss of income of £60k being projected. This has been partly offset by a reduction in the collection contract costs for trade waste of £20k.

5.7 Actual disposal tonnage is higher than the budget for the first eight months of the year and expenditure is expected to be at least £70k above budget at the year end.

5.8 A delay in implementing budget options relating to staffing has led to a projected overspend of Dr £22k. This is partly offset by a Cr £20k saving from the Coney Hill contract. To partly offset the overspend within the waste service, management action has been taken to reduce expenditure against the equipment budget by Cr £40k.

5.9 As a result of the stormy weather experienced at the end of October, there is a projected overspend within the tree maintenance budget for highways and parks of £120k. This is the result of general damage caused across the borough where trees have had to be cut and removed from highways and parks.

5.10 It should be noted that significant additional spend is expected due to the stormy weather that occurred during the Christmas period.

5.11 There is a net underspend of £28k projected for the other areas within the Street Scene and Green Space Division. Delays in implementing staff savings have resulted in an overspend of Dr £68k and the FPN littering offence scheme is projecting a net deficit of Dr £32; this has been offset by a reduction in expenditure of Cr £103k as a result of management action taken and additional income of Cr £25k. It should be noted that the full year saving for staffing of £107k will be achieved in 2014/15.

Transport and Highways

5.12 A net deficit of £65k is projected across all areas of income directly relating to the New Roads and Street Works Act. This is due to a reduction in the sample inspections required and fewer defect notices being issued. This is being partly offset by management action holding posts vacant across the division which will reduce this deficit to Dr 15k.

5.13 The table below summarises the main variances: -

Summary of Major Variations	£'000
Net shortfall of income from on and off street parking	47
Income from increase in parking contraventions	(150)
Replacement of several handheld equipment for enforcement	50
Business rate rebate, underspends from contract and running expenses	(92)
Net shortfall of income from trade waste collected & delivered services and paper	115
Additional waste disposal costs due to rise in waste tonnages	70
Delays in implementing budget option	22
Coney Hill and management action savings within waste services	(60)
Overspend within tree maintenance budgets for highways and parks	120
Net underspend across other areas within the Street Scene and Greenspace Division	(28)
Net shortfall of income directly relating to NR & SWA	65
Savings from management action within Transport and Highways Division	(50)
	<u>109</u>

5.14 Appendix 2 shows that £900k has been spent and a further £2k expenditure is planned, as of 30th November 2013, out of the £1.15m set aside for the three projects within the Member priority initiatives. It also includes comments on the progress of each of the schemes.

Non-Applicable Sections:	Legal, Personnel
Background Documents: (Access via Contact Officer)	2013/14 budget monitoring files within ECS finance section

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Environment Portfolio Budget Monitoring Summary

2012/13 Actuals £'000	Division Service Areas	2013/14 Original Budget £'000	2013/14 Latest Approved £'000	2013/14 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
(6,470)	Customer & Support Services							
0	Parking	Cr 6,645	Cr 6,084	(6,229)	Cr 145	1 - 4	Cr 112	0
1,359	Net loss of income from Westmoreland Rd	0	0	0	0	5	546	0
	Support Services	1,225	1,239	1,239	0		0	0
(5,111)		Cr 5,420	Cr 4,845	(4,990)	(145)		434	0
104	Public Protection - ES							
	Emergency Planning	71	74	74	0		0	0
104		71	74	74	0		0	0
4,440	Street Scene & Green Space					5		
2,428	Area Management/Street Cleansing	4,426	4,053	4,068	15	6		0
(36)	Highways	2,367	2,743	2,788	45	7	Cr 10	0
6,007	Markets	Cr 33	1	Cr 15	Cr 16	8	Cr 16	0
582	Parks and Green Space	6,026	6,074	6,099	25	9	Cr 35	0
16,182	Street Regulation	485	456	479	23	10	15	0
	Waste Services	16,639	16,775	16,922	147	11	257	330
	Management action to meet FYE							Cr 330
29,603		29,910	30,102	30,341	239		211	0
6,622	Transport & Highways							
167	Highways incl London Permit Scheme	6,118	6,576	6,611	35	12	55	300
303	Highways Planning	135	135	135	0		0	0
	Traffic & Road Safety	167	188	168	Cr 20	13	Cr 20	0
	Management action to meet FYE							Cr 300
7,092		6,420	6,899	6,914	15		35	0
31,688	TOTAL CONTROLLABLE	30,981	32,230	32,339	109		680	0
7,561	TOTAL NON-CONTROLLABLE	7,983	8,024	8,030	6	14	Cr 10	0
2,321	TOTAL EXCLUDED RECHARGES	2,022	1,943	1,943	0		0	0
41,570	PORTFOLIO TOTAL	40,986	42,197	42,312	115		670	0

Reconciliation of Final Budget

£'000

Original budget 2013/14

40,986

Repairs and Maintenance carry forward from 2012/13	41
Allocation of Localisation & Conditions Pay Awards	83
Net loss of income from proposed sale of car parks	546
Centralisation of training budgets	Cr 3
Budget transfer within ECS Department	2
Parking Fund transfer	18
Lead Local Flood Authorities	220
Drawdown of central contingency funds re increased fuel costs	164
Detritus / Leafing - additional street cleansing costs	140
Latest Approved Budget for 2013/14	42,197

REASONS FOR VARIATIONS**1. Income from Bus Lane Contraventions Dr £40k**

Based on the latest activity data, a decrease in income of around £40k is projected for 2013-14 due to a reduction in the number of contraventions. It should be noted that, due to the introduction of the new parking ICT system, not all the activity reports were available during December. It is expected that the reports will be available in January to carry out a more detailed analysis and any major variances will be reported in February.

2. Off Street Car Parking Cr £22k

After an adjustment for the Westmoreland Road Car Park budget, the net shortfall in off street parking income is projected to be £47k. This is broken down as follows: a shortfall is projected at The Hill Dr £65k and the Civic Centre Dr £10k partly offset by additional income expected at Village Way Cr £18k and Other Surface car parks Cr £10k. Compared to the same period in 2012/13, income for off street parking is up by around £56k, however this increase can be attributed to the price increase which came in at the end of April 2012.

Other variations include business rate adjustments of Cr £30k, a projected underspend for parking contract payments (Cr £30k) and a small variance of Cr £9k for car park maintenance.

Summary of variations within Off Street Car Parking	£'000
Off Street Car Parking income - multi-storey car parks	57
Off Street Car Parking income - other surface car parks	Cr 10
Business rate adjustments/rebate	Cr 30
Projected underspend on R&M at multi-storey car parks	Cr 9
Underspend on contract payments	Cr 30
Total variations within Off Street Parking	Cr 22

3. On Street Car Parking Cr £20k

An income deficit of £52k is projected within Bromley Town Centre Inner zones. This is offset by additional projected income in the outer Bromley zone of Cr £35k and within Petts Wood, Beckenham and Orpington Cr 17k. It should be noted that when compared to the same period in 2012/13 income is up by around £50k, which again, can be attributed to the price increase.

Other minor variations within running expenses including equipment and contract payments, total Cr £20k.

Summary of variations within On Street Car Parking	£'000
Income from Bromley Town Centre Inner zones	52
Income from Bromley Town Centre Outer zones	Cr 35
Income from Petts Wood, Beckenham & Orpington	Cr 17
Underspend on running expenses	Cr 20
Total variations within On Street Car Parking	Cr 20

4. Car Parking Enforcement Cr £143k

Based on activity levels up to November 2013, there is a projected net surplus of £150k from PCNs issued by Vinci due to an increase in contraventions. Additional income has been received for PCN contraventions in 2012/13 totalling £30k. It should be noted that due to the introduction of the new parking ICT system, not all the activity reports were available during December. It is expected that the reports will be available in January to carry out a more detailed analysis and any major variances will be reported in February.

Several sets of the enforcement hand held equipment have had to be replaced at a cost of £50k and there is a small variation of Cr £3k on the enforcement contract costs.

There is a projected net surplus of around Cr £10k for mobile and static cameras due to a small net increase in contraventions during 2013/14.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	Cr 180
Handheld enforcement equipment replacement	50
PCNs issued by mobile & static cameras	Cr 10
Variation in contract costs	Cr 3
Total variations within Car Parking Enforcement	<u>Cr 143</u>

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	40
Off Street Car Parking income	Cr 22
On Street Car Parking income	Cr 20
Car Parking Enforcement	Cr 143
Total variation for Parking	<u>Cr 145</u>

5. Street Scene & Green Space salaries (division-wide) £0k

Delays in implementing management staff savings of £60k have resulted in only a part year effect (Cr £15k) being achieved. Other one-off savings from management action have been identified totalling £45k in order to balance the budget.

6. Area Management & Street Cleansing Dr £15k

The FPN littering offence scheme is projecting a net deficit of £32k. This has arisen where the income recovery rate as of writing, has fallen to around 40% in recent months, and therefore costs exceed income collected. It is anticipated that following contractor changes and payment arrangements from January 2014, the scheme will break-even and there will be no further deficit. This will continue to be monitored as closely as any increased deficit will require compensating savings to be identified elsewhere.

Minor variations across other budgets have resulted in a projected underspend of £17k which is partly offsets the deficit above.

7. Highways SS&GS Dr £45k

A small surplus in income is projected from skip licences and street traders' licences totalling £15k, which is contributing to balancing the divisional budget.

As a result of the stormy weather experienced at the end of October, there is a projected overspend within the tree maintenance budget of £60k. This is the result of general damage caused across the borough where trees have had to be cut and removed from highways. It should be noted that following the stormy weather that occurred over the Christmas period, this overspend is likely to increase significantly.

Summary of variations - Highways SS&GS	£'000
Surplus income from skip licences	Cr 5
Surplus income from street traders' licences	Cr 10
Overspend on tree maintenance	60
Total variations - Highways SS&GS	45

8. Markets Cr £16k

There is a projected income surplus of £10k due to higher customer activity than previously anticipated. Additionally, there is a planned underspend of £6k within the equipment budget, resulting in a net underspend across the service of £16k. This is being used to balance the overall divisional budget.

9. Parks & Greenspace Dr £25k

There is a projected net underspend across salary budgets of £18k. This is largely attributable to maternity leave, with no subsequent back-filling within the Park Ranger service. There is also a planned underspend within the Grounds Maintenance other hired & contracted services budget of £17k in order to help balance the divisional budget overall.

As a result of the stormy weather experienced at the end of October, there is a projected overspend within tree maintenance of £60k. This has largely been incurred where a number of fallen trees have had to be removed from residential properties in the Riverside gardens area of the borough. Significant additional spend is expected due to the stormy weather that occurred during the Christmas period.

Within the electricity budget, there is a projected overspend of £14k. Unit prices have risen on average by 7.5% for 2013-14 compared to 2012-13. The full-year effect of this increased cost is projected to be £30k. A request will be made to the Executive to draw down funds allocated for fuel cost increases from the central contingency, both for 2013-14 and 2014-15.

10. Street Regulation Dr £23k

Within Street Regulation, staff savings as a result of the baseline review process of £47k were built into the 2013-14 budget. Due to delays in implementing the review, part year savings of Management action has been taken not to backfill a secondment to Education, Care & Health services (Cr £12k), in order to contribute to the deficit. The full £47k saving will be achieved from April 2014. In addition, there are other minor variations totalling Dr £12k.

There is a projected net overspend across other budget lines of £8k. This comprises of £5k within car allowances and a net £3k elsewhere.

Summary of variations - within Street Regulation	£'000
Delay in achieving staff savings	23
Management action	Cr 12
Other minor variations	12
Total variations - Street Regulation	<u>23</u>

11. Waste Services Dr £147k

There is currently projected to be a net overspend for waste disposal of £70k. Actual tonnage is 500 tonnes above budget for the first eight months of the year, and it is anticipated that there will be a year-end variation for 2013-14 of 900 tonnes. However, if the trend of the last two months continues where tonnage has been approximately 250 tonnes above budget, the year-end variation could be as high as 1,500 tonnes. This would result in an overspend of £140k.

The additional tonnage variation comprises of 500 tonnes relating to detritus, and 500 from residents.

Due to legislative changes, detritus and leafing collected from street cleansing can no longer be composted. Veolia have offered to dispose of this tonnage at a price of £84 per tonne instead of landfilling it at a cost of £131. This tonnage used to be disposed of by composting at a cost of £44 per tonne. The change in legislation has meant that the Council has had to incur additional disposal costs in 2013/14 of £140k, relating to 2,900 tonnes of detritus plus 600 tonnes of leafing. It should be noted that the detritus tonnage is currently in line with tonnages received for 2011/12 and 2010/11, which is 700 tonnes above the 2012/13 tonnage, which is what the 2013/14 disposal tonnage budget was based on.

Officers have attempted to contain this cost, however, given the other budget pressures within the waste service, this has not been possible. It is therefore proposed to request the Executive to agree to allow a drawdown of £140k from central finances.

Within trade waste collection income, there is a net projected deficit of £40k. Prices were increased by 4.2% from 1st April 2013 with minimal expectation for a dropout of customers. Around 3% of commercial customers have withdrawn from the service.

Within trade waste delivered income, there is a projected surplus of £45k, due to increased activity from builders and other tradesmen bringing waste to the depots.

There is a projected deficit from paper recycling income of £120k due to reduced tonnages currently being collected from households. It is likely that this trend will continue into future years.

Income from textile collections is projected to generate a surplus of £10k due to increased projected tonnages from previously expected. However, there is a projected deficit within clinical waste income of £10k due to a lower customers volumes than previously anticipated.

Within the 2013-14 budget setting process, staff savings of £50k relating to two site supervisor posts were incorporated. The net effect of delays in implementing the changes, which are currently expected to be effective from 1st February as well as holding a post vacant for part of the year, is a projected deficit of £22k. The full £50k saving is expected to be delivered from April 2014.

Additionally, there is an anticipated underspend within the Coney Hill budget of £20k in expectation that sums set aside for replacement equipment and other non-routine items will not be required.

There is also a projected net underspend across various other budgets totalling Cr £40k.

The full-year effect of the deficit relating to disposal tonnages, detritus, leafing, paper income, and trade waste collection income is likely to be around £330k. Of this, there is an amount of £200k has been allocated from centrally held funds as a growth item. The remaining balance of £130k has been met from within existing Street Scene & Green Space budgets.

Summary of variations within Waste Services	£'000
Waste disposal tonnages	70
Trade waste collection income	40
Trade waste delivered income	Cr 45
Paper recycling income	120
Staffing	22
Coney Hill	Cr 20
Equipment, collection contract & car allowances	Cr 40
Total variation for Waste Services	<u>147</u>

12. Highways (Incl London Permit Scheme) Dr £35k

There is a projected net deficit across all areas of NR&SWA income of £65k, mainly as a result of falling volumes of sample inspections and fewer defect notices being issued.

There is a projected underspend within staffing budgets of £30k. This is due to a combination of not recruiting to a vacant post, and delays in appointing to other posts.

Within the street lighting electricity budget, there is a projected overspend of £150k. Unit prices have risen on average by 7.5% for 2013-14 compared to 2012-13. The full-year effect of this increased cost is projected to be £280k. A request will be made to the Executive to draw down funds allocated for fuel cost increases from the central contingency, both for 2013-14 and 2014-15.

The full year-effect within NRSWA income is a projected deficit of around £300k. This has already been met from within T&H budgets as part of the 2014-15 budget setting process work that has been undertaken.

Summary of variations within Transport & Highways	£'000
Deficit in NRSWA income	65
Salary underspend	Cr 30
Electricity overspend	150
Electricity overspend met by drawdown from central contingency	Cr 150
Total variation for Waste Services	<u>35</u>

13. Traffic & Road Safety Cr £20k

There is a projected underspend across traffic & road safety salary budgets of £20k. This is due to maternity leave and not backfilling a short-term secondment to Education, Care & Health services.

15. Non-controllable budgets Dr £6k

For information, the variation relates to a net deficit within property rental income across the Environment portfolio. Property division are accountable for these variations.

Waiver of Financial Regulations

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100,000) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive no waivers have been approved.

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. Since the last report to Executive no virements have been actioned.

Analysis of Members' Initiatives - Earmarked Reserves @ 30.11.13

Item	Divison / Service Area	Responsible Officer	Allocation £'000	Spend To Date £'000	Commitments £'000	Total Spend & Commitments £'000	Balance Available £'000	Comments on Progress of Scheme
Footways, Highways & General Improvements	T&H - Highways	Garry Warner	750	750	0	750	0	Scheme completed.
Support for Friends Groups	SS&GS - Parks & Green Space	Louise Simpson	250	0	2	2	248	£2k to be allocated for trees. Other works/projects have been considered but nothing advanced at this stage. Balance expected to be spent during 2014/15.
Renewal / Replacement of Community Recycling Sites	SS&GS - Waste	John Woodruff	150	150	0	150	0	Scheme completed.
TOTAL			1,150	900	2	902	248	

Report No.
FSD14002

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment Portfolio Holder

Date: For Pre-Decision Scrutiny by the Environment PDS Committee on 29th January 2014

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2013/14

Contact Officer: Martin Reeves, Principal Accountant (Technical & Control)
Tel: 020 8313 4291 E-mail: martin.reeves@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All

1. Reason for report

On 20th November 2013, the Executive received the 2nd quarterly capital monitoring report for 2013/14 and agreed a revised Capital Programme for the four year period 2013/14 to 2016/17. This report highlights in paragraphs 3.1 to 3.2 changes agreed by the Executive in respect of the Capital Programme for the Environment Portfolio. The revised programme for this Portfolio is set out in Appendix A, and detailed comments on scheme progress as at the end of the first half of 2013/14 are shown in Appendix B.

2. **RECOMMENDATION**

The Portfolio Holder is asked to confirm the changes agreed by the Executive in November.

Corporate Policy

1. Policy Status: Existing Policy: Capital Programme monitoring and review is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Affective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. The Council continuously reviews its property assets and service users are regularly asked to justify their continued use of the property. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
 2. BBB Priority: Quality Environment, Excellent Council
-

Financial

1. Cost of proposal: Total reduction of £0.6m over the 4 years 2013/14 to 2016/17, due to reduced TfL support for highways schemes (see para 3.2).
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £25.3m for the Environment Portfolio over four years 2013/14 to 2016/17
 5. Source of funding: Capital grants, capital receipts and earmarked revenue contributions
-

Staff

1. Number of staff (current and additional): One
 2. If from existing staff resources, number of staff hours: 0.25 fte - 9 hours per week
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
-

Ward Councillor Views

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

3. COMMENTARY

Capital Monitoring – variations agreed by the Executive on 20th November 2013

3.1 A revised Capital Programme was approved by the Executive in November, following a detailed monitoring exercise carried out after the 2nd quarter of 2013/14. The base position was the revised programme approved by the Executive on 24th July 2013, as amended by variations approved at subsequent Executive meetings. All changes on schemes in the Environment Programme are itemised in the table below and further details are included in paragraph 3.2. The revised Programme for the Environment Portfolio is attached as Appendix A and Appendix B shows actual spend against budget in the first half of 2013/14, together with detailed comments on individual schemes.

	2013/14	2014/15	2015/16	2016/17	TOTAL 2013/14 to 2016/17
	£000	£000	£000	£000	£000
Programme approved by Executive 24/07/13	9,545	8,303	4,050	4,050	25,948
<u>Variations approved by Executive 20/11/13</u>					
Reduced TfL funding for highway schemes (see para 3.2)	-616				-616
Total Amendment to the Capital Programme	-616	0	0	0	-616
Total Revised Environment Programme	8,929	8,303	4,050	4,050	25,332

3.2 Transport for London (TfL) – Revised Support for Highway Schemes (£616k reduction)

Provision for transport schemes to be 100% funded by TfL was originally included in the Capital Programme 2013/14 to 2016/17 on the basis of the bid in our Borough Spending Plan (BSP). Notification of an overall reduction of £616k in 2013/14 was reported to the Executive on 20th November and the Capital Programme was reduced accordingly. Grant allocations from TfL change frequently and any further variations will be reported in subsequent capital monitoring reports.

Post-Completion Reports

3.3 Under approved Capital Programme procedures, capital schemes should be subject to a post-completion review within one year of completion. After major slippage of expenditure in recent years, Members confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. While no post-completion reports are currently due for completed Environment Portfolio schemes, this quarterly report will monitor the future position and will highlight any future reports required.

4. POLICY IMPLICATIONS

4.1 Capital Programme monitoring and review is part of the planning and review process for all services.

5. FINANCIAL IMPLICATIONS

5.1 These were reported in full to the Executive on 20th November 2013. Changes agreed by the Executive for the Environment Portfolio Capital Programme are set out in the table in paragraph 3.1.

Non-Applicable Sections:	Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	Departmental monitoring returns October 2013. Approved Capital Programme (Executive 24/07/13). Q2 monitoring report (Executive 20/11/13).

ENVIRONMENT PORTFOLIO - APPROVED CAPITAL PROGRAMME 20th NOVEMBER 2013								
Capital Scheme/Project	Total Approved Estimate	Actual to 31.3.13	Estimate 2013/14	Estimate 2014/15	Estimate 2015/06	Estimate 2016/17	Responsible Officer	Remarks
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's		
SCHEMES FULLY FUNDED BY TRANSPORT FOR LONDON	12000			4000	4000	4000		
London Bus Priority Network (LBPN)	1836	1836					Angus Culverwell	100% TfL funding, based on Borough Spending Plan submission to TfL and will only proceed if 100% funding is agreed by TfL. The Capital Programme will be adjusted to reflect revised TfL approvals as these are received
Cycle Route Network	1279	1279					Malcolm Harris	
Safer Routes to Schools	945	945					Angus Culverwell/Louise French	
SELTRANS	2012	2012					Alan Lucking	
Travel Awareness	68	68					Angus Culverwell	
Bromley Town Centre Access Plan	31	31					Angus Culverwell	
20 mph Zones	629	629					Deirdre Farrell/Angus Culverwell	
Bus Stop accessibility	134	134					Angus Culverwell	
Downe & Environs WHS bid Access Plan	18	18					Kevin Munnely	
*Local Safety Schemes	1927	1927					Deirdre Farrell/Angus Culverwell	
*Bridge Strengthening /Assessment	675	675					Garry Warner	
*Structural Maintenance - Principal Roads LBB	1476	1476					Garry Warner	
Walking	147	147					Angus Culverwell/Alan Lucking	
Education, training and publicity	134	134					Angus Culverwell	
Cycle Improvements off London Cycle	436	436					Malcolm Harris	
TfL - Borough Support	165	146	19				Alan Lucking	
Local Area Accessibility - Orpington Town Centre	20	20					Angus Culverwell	
Parallel initiatives	24	24					Alan Lucking	
Station Access	164	164					Alan Lucking	
Controlled parking zones	125	125					Deirdre Farrell	
LEPT	574	574					Angus Culverwell	
Cycling on Greenways	455	252	203				Malcolm Harris	
Borough Transport Priorities (not allocated)	267	195	72				Angus Culverwell	
Car Clubs	-3	-3					Alan Lucking	
Chislehurst Road Bridge replacement	4114	3942	172				Paul Redman	100% TfL funding; approved by Executive 22/06/11
Biking Boroughs	273	153	120				Steven Heeley	
Area Based Schemes	0	0						
<u>TfL - New funding streams</u>								
Maintenance	3758	2917	841				Angus Culverwell	
Corridors	3477	3477					Angus Culverwell	
Neighbourhoods	1641	1641					Angus Culverwell	
Smarter Travel	745	745					Angus Culverwell	
LIP Formula Funding	5628	2967	2661				Garry Warner/Angus Culverwell	
Schools programme	35	35					Steven Heeley	
TOTAL SCHEMES FULLY FUNDED BY TfL	45209	29121	4088	4000	4000	4000		
OTHER								
Winter maintenance - gritter replacement	930	645	165	40	40	40	Paul Chilton	
Carbon Management Programme (Invest to Save funding)	803	665	138				Alastair Ballie	Revenue savings (schemes to be worked up); £250k funded by Salix
Orpington Public Realm Improvements	2200	2134	66				Garry Warner	£1.2m TfL funding
SEELS street lighting project	598	598					Garry Warner	100% external funding (Salix)
Street Lighting Invest to Save Initiative	8507	3	4251	4253			Garry Warner	Funded by Invest to Save Fund (Executive 28/11/12)
*Feasibility Studies	40	0	10	10	10	10	Claire Martin	
TOTAL OTHER	13078	4045	4630	4303	50	50		
CAR PARKING								
Station Road Car Park - Miscellaneous works relating to sale	508	487	21				Heather Hosking	Funded by capital receipt from disposal of car park
The Hill Multi-Storey Car Park - strengthening works	280	222	58				Paul Redman	Approved by Executive 29/09/10
Bromley Town Centre - increased parking capacity	420	288	132				Paul Redman	Approved by Executive 23/05/12
TOTAL CAR PARKING	1208	997	211	0	0	0		
TOTAL ENVIRONMENT PORTFOLIO	59495	34163	8929	8303	4050	4050		

ENVIRONMENT PORTFOLIO - APPROVED CAPITAL PROGRAMME 2013/14 - 2ND QUARTER MONITORING					
Capital Scheme/Project	2nd QUARTER 2013/14				Responsible Officer Comments
	Actual to 31.3.13 £'000's	Approved Estimate July 2013 £'000's	Actual to 24/9/13 £'000's	Revised Estimate Nov 2013 £'000's	
SCHEMES FULLY FUNDED BY TRANSPORT FOR LONDON					
London Bus Priority Network (LBPn)	1836		0		100% TfL funding, based on Borough Spending Plan submission to TfL and will only
Cycle Route Network	1279		0		proceed if 100% funding is agreed by TfL. The Capital Programme will be adjusted
Safer Routes to Schools	945		0		to reflect revised TfL approvals as these are received
SELTRANS	2012		0		
Travel Awareness	68		0		
Bromley Town Centre Access Plan	31		0		
20 mph Zones	629		0		
Bus Stop accessibility	134		0		
Downe & Environs WHS bid Access Plan	18		0		
*Local Safety Schemes	1927		0		
*Bridge Strengthening /Assessment	675		-20		
*Structural Maintenance - Principal Roads LBB	1476		0		
Walking	147		0		
Education, training and publicity	134		0		
Cycle Improvements off London Cycle	436		0		
TfL - Borough Support	146	4	3	19	
Local Area Accessibility - Orpington Town Centre	20		0		
Parallel initiatives	24		0		
Station Access	164		0		
Controlled parking zones	125		0		
LEPT	574		0		
Cycling on Greenways	252	101	75	203	
Borough Transport Priorities (not allocated)	195	38	38	72	
Car Clubs	-3	0	0		
Chislehurst Road Bridge replacement	3942	172	-11	172	Bridge reopened as scheduled in November 2012. End of maintenance period inspections to be carried out. If satisfactory, outstanding retention sums will be released to contractor.
Biking Boroughs	153	109	-34	120	
Area Based Schemes	0	0	10	0	
TfL - New funding streams					
Maintenance	2917	831	145	841	
Corridors	3477	0	9	0	
Neighbourhoods	1641	0	-7	0	
Smarter Travel	745	0	0	0	
LIP Formula Funding	2967	3449	-171	2661	
Schools programme	35	0	0	0	
TOTAL SCHEMES FULLY FUNDED BY TfL	29121	4704	37	4088	
OTHER					
Winter maintenance - gritter replacement	645	165	0	165	Delivery of new gritter expected November 2013. Balance of funding will be used towards winter service equipment requirements over the 2013/14 winter season.
Carbon Management Programme (Invest to Save funding)	665	138	-144	138	The Carbon Management Fund (CMF) is a ring-fenced invest-to-save fund designed to reduce energy consumption and costs. Fund operation is reported annually to the I&E Sub-committee. Six projects are currently in development (covering office lighting, boiler replacements, and car park lighting etc). Of these, works to multi-storey car parks is to be tendered shortly and is likely to be completed this financial year. Replacement of the boiler at Beckenham Library is likely to be delivered either this year or during 2014/15.
Orpington Public Realm Improvements	2134	66	-4	66	Balance of funding being utilised for minor redesigns to scheme.
SEELS street lighting project	598	0	-49		Scheme complete
Street Lighting Invest to Save Initiative	3	4251	557	4251	The project commenced in June 2013. The scope of works involves replacement of 8,000 concrete and older steel columns with new steel columns and LED lanterns plus replacement of a number of older less energy efficient lanterns. All new assets will be linked to a new electronic Central Management System, also forming part of the project. Works in West Wickham and Orpington are largely complete aside from individual faults the team have snagged and are subject to further work. The replacement programme is now underway in Hayes and Shortlands. Currently, approximately 100 columns are being replaced each week – this progress should ensure completion within the planned programme (two years).
*Feasibility Studies	0	10	0	10	
TOTAL OTHER	4045	4630	360	4630	
CAR PARKING					
Station Road Car Park - Miscellaneous works relating to sale	487	21	0	21	
The Hill Multi-Storey Car Park - strengthening works	222	58	0	58	End of maintenance period inspections to be carried out. If satisfactory, outstanding retention sums will be released to contractor.
Bromley Town Centre - increased parking capacity	288	132	0	132	The Hill and St Blaise capacity improvements are complete. The designs for Mitre Close car park are close to completion, with bill of quantities to follow. Surveys for Elmfield Road are currently being commissioned.
TOTAL CAR PARKING	997	211	0	211	
TOTAL ENVIRONMENT PORTFOLIO	34163	9545	397	8929	

Report No.
ES14016

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment Portfolio Holder

For Pre-Decision Scrutiny by the Environment PDS Committee on

Date: 29th January 2014

Decision Type: Non-Urgent Executive Non-Key

Title: **PARKING BAILIFF SERVICES**

Contact Officer: Ben Stephens, Head of Parking Services
Tel: 020 8313 4514 E-mail: ben.stephens@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: All

1. Reason for report

The report seeks agreement for the procurement of bailiff services to provide debt recovery for collection of outstanding Penalty Charge Notices (PCNs). The report recommends that parking services use two companies: JBW; and Phoenix.

2. **RECOMMENDATION**

That the Environmental Portfolio Holder:

- 2.1 **Approves the use of JBW and Phoenix for bailiff debt collection services from 1st April 2014 until 31 October 2016.**

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council; Quality Environment
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Estimated income of £200-250k p.a. secured via bailiff companies
 3. Budget head/performance centre: Parking Enforcement
 4. Total current budget for this head: Anticipated £4.1m income p.a. from PCNs
 5. Source of funding: Existing Revenue budget 2013/14
-

Staff

1. Number of staff (current and additional): 1
 2. If from existing staff resources, number of staff hours: 1 fte
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Approximately 12,000 debtors per year are subject to bailiff action for PCN debt
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable

Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The Shared Parking Service is responsible for providing the following services: residential and business permits; visitor vouchers; blue badge applications; parking dispensations; and suspensions. The service is also responsible for the issuing of Penalty Charge Notices (PCNs) adjudicating associated appeals, and the collection of payment. An efficient debt collection process is essential to ensure outstanding PCN fines are collected.
- 3.2 Following the Environment PDS Committee on 15th January 2013, the Environment Portfolio Holder agreed the postponement of the tendering process for parking bailiff and debt recovery services until an updated Eastern Shires Purchasing Organisation (ESPO) framework agreement was available (report ES13009). Approval was given for JBW and Swift Credit Services to continue to provide interim parking bailiff services until 31st March 2014. The trial use of Liberata's bailiff partners, Chandlers and Phoenix, for the same period was also given.
- 3.3 Parking Services have continued to use Chandlers, Phoenix, JBW and Swift. All four companies' performance has been satisfactory, although there were some issues initially with Chandlers and Phoenix. Liberata's contract with Chandlers expired October 2013, and accordingly Parking Services have also now ceased issuing new warrants to Chandlers. This interim period has provided an excellent opportunity to test contractor performance.
- 3.4 Liberata now uses JBW and Phoenix for Council tax debt collection. Officers recommend that these two bailiff companies are also retained to provide parking bailiff services until October 2016. October 2016 is the date at which all of the other key contracts managed by the Shared Parking Service are due to expire, and would provide an opportunity to align bailiff services with the main enforcement contract across both Bromley and Bexley. Dealing with more than two companies would increase the complexity of day to day management and communication, and the number of warrants issued to each company would be too few. However, only retaining one company would leave the service vulnerable to the risk of poor performance.
- 3.5 In February 2012 the Ministry of Justice set out its proposals for transforming the enforcement industry and providing more protection against aggressive bailiffs in the consultation paper, (*Transforming Bailiff Action*).
- 3.6 The Government's response to *Transforming Bailiff Action* was published in January 2013 and sets out a series of proposals to strengthen protections from rogue bailiffs who use unsound, unsafe or unfair methods, while at the same time making sure that debts can still be collected fairly. These measures included the implementation of Part 3 of the Tribunals, Courts and Enforcement Act 2007 (the "2007 Act").
- 3.7 Section 25 of the Crime and Courts Act 2013 which came into force on 15th July 2013 amends schedule 12 of the 2007 Act and makes a number of reforms to bailiff law. New bailiff enforcement procedures are now set out under Part 3 of the 2007 Act
- 3.8 The changes will help debtors, creditors and bailiffs understand what their rights and responsibilities are when debts are enforced. The provisions will also codify the existing law and introduce a comprehensive code governing amongst other things: when and how a bailiff can enter somebody's premises; what goods they can and cannot seize and sell; and what costs they can charge.

ESPO framework agreement

3.9 Use of the **ESPO framework agreement** for procurement of bailiff services was originally the Council's preferred option. The ESPO agreement was designed to provide a framework for all types of bailiff services, including commercial, Council Tax, Parking and HMCS debt. However, the process of developing an agreement was abandoned by ESPO in November 2013. This followed bidder challenges against the tendering process. The arguments made by bidders were:

- That the framework did not satisfactorily address the Taking Control of Goods Regulations 2013 (SI 2013/1894), which is due to come into force on 6th April 2014.
- Concerns over aspects of the procurement, evaluation and reward process.

3.10 ESPO decided in the light of these significant issues that it was not appropriate to continue with developing the framework agreement.

Options available to the Council

3.11 Since the last report (ES13009, 15th January 2013), options have been explored into how best to procure bailiff services. As the ESPO agreement will no longer be available, four remaining options were considered:

- Undertaking a full tender process for the Parking bailiff and debt collection services.
- Joining the London Borough of Bexley's existing Bailiff Service Level Agreement through the Shared Service.
- Joining LB Bromley's contract with Liberata for the provision of bailiff services.
- Bailiff Contracting directly with JBW and Phoenix

Full tender process

3.12 The option of a full tendering process would be an expense to the Council that could be avoided.

3.13 The argument for going out to tender:

- A range of companies which provide Parking Bailiff Services could be invited to submit a tender, giving the Council more choice and potentially a better service

3.14 The arguments against going out to Tender:

- Costs to the Council to go to tender
- Cost of officer time involving procurement, finance and parking staff for drafting tender documents and PQQs, and evaluating and scoring the tenders.
- The time to get the contract in place could possibly exceed the expiry date of the existing contracts, which would therefore need to be extended.
- Risk of under performance and loss of budgeted income.

Contracting with JBW

- 3.15 Consideration has been given to join, through the shared service, the existing Service Level Agreement (SLA) the London Borough of Bexley has with JBW. This expires on 31st August 2016. JBW have in the past performed well for both Bromley and Bexley.
- 3.16 As there appears to be no “formal “ contracting arrangement between Bexley and the service provider there is not a regularised contract for the Council to piggy-back on or make use of.
- 3.17 An SLA would be cheaper than a full tendering process. However, the Bexley SLA only has one bailiff company and this could be problematic if the company does not perform. It is considered helpful to have an alternative company available to whom work can be allocated if there is an issue with underperformance.
- 3.18 The Council could instead enter into a direct contract with JBW. If JBW were the main supplier for both boroughs this would help align processes and working practices, and provide the opportunity for additional efficiencies in terms of managing workflow and ICT data transfer.

Contracting with Phoenix

- 3.19 Liberata has an established contract to provide bailiff services for the London Borough of Bromley for Council Tax, Business Rates and sundry debt. The bailiff companies that are used for this contract are now Phoenix and JBW.
- 3.20 The contract with JBW started in January 2013 and will expire, unless extended or renegotiated, in December 2014. The contract with Phoenix dates from 2007 and can be terminated by Liberata by giving notice at any time. The agreement is formally reviewed annually.
- 3.21 Phoenix has performed to a satisfactory standard during the trial. The use of Phoenix will allow continuity and ensure we maintain a close working relationship with Liberia’s preferred Bailiff suppliers. In addition, use of a second bailiff company will allow us to ensure that there is competitive performance by both contractors.
- 3.22 It is recommended that London Borough of Bromley enter into a contract directly with Phoenix, in addition to JBW. This would not be via Liberata’s contract arrangements. The involvement of Liberata in the provision of Bailiff Services would mean the use of a third party which would have no cost, operational or legal benefit to the Council.
- 3.23 These extensions would then take the Bailiff Services into alignment with the expiry of the Management and Enforcement Contract and the Parking ICT Contract. Therefore all contracted services procured by the Shared Parking Services could be included in a coherent tendering process at the same time in 2016.

4 POLICY IMPLICATIONS

- 4.1 Providing excellent service and performance underpins the delivery of the objectives of “Building a Better Bromley”. In particular, the effective management of parking supports the Council’s transport policies, and its aim of ensuring a Quality Environment. The Environment Portfolio Plan 2013/16 includes the objective ‘Continue to improve the effectiveness and fairness of the Council’s parking enforcement activities’.

5 FINANCIAL IMPLICATIONS

- 5.1 The Parking bailiff and debt collection service supports income recovery of between £200k and £250k per year which would otherwise be written off. The service providers recover the cost of their service direct from the debtor.
- 5.2 In Procurement terms there are two values to consider in this matter: the value of income recovered; and the value of the service concession type arrangement being considered to operate in this case. The annual income value is indicated as being between £200k -£250k and the value within the 2.6 year contract period is estimated to be £520k and £650k. The value of the concession is likely to be in the range of 80k to £100k. While Service Concession arrangements are not specifically covered by the EU Procurement Regime, they are considered to be covered by the Treaty itself and need to be placed in line with its overarching requirements.
- 5.3 In this case the division of the requirement between the two providers is specifically designed to stimulate this particular market and encourage participation in the intended tendering process for this service. This will need to be commenced towards the end of 2015, noting that by this date there is likely to be formal legislation in place to include “Concession” type arrangements within the new EU Procurement Regime.

6 LEGAL IMPLICATIONS

- 6.1 LBB currently operates Public Service Concessions with four bailiff companies for parking debt – Swift, JBW, Chandlers and Phoenix. All four are due to terminate on 31 March 2014. .
- 6.2 Public Concessions occur when a local authority grants a private entity a right to provide an asset or service but rather than pay for providing the asset or service, the contracting authority transfers the opportunity to exploit the market to the private entity, along with the demand risk (the risk that there will be little or no market to exploit). Revenue from fees paid by third party users (normally the general public) to the private entity are then used to meet the costs incurred and to make a profit.
- 6.3 Public Service Concessions agreements are not regulated by the Public Contracts Regulations 2006 but if they are likely to be of interest to service providers in other EU member states must comply with the EU Treaty Principles of mutual recognition, proportionality, transparency, non-discrimination and equal treatment .
- 6.4 Option 1 - If LBB decides to appoint a bailiff by undertaking a full tendering process it will still need to consider whether or not the agreements will be likely to attract interest from other member state, There are no formal rules governing whether a contract will attract cross-border interest however the Commission states that the following factors will be significant:
- The subject matter of the procurement.
 - The estimated value of the procurement.
 - The place of performance or delivery.
 - The size and structure of the relevant service market.
- 6.5 The Commission also states that it will be down to individual contracting authorities to apply these factors themselves on a case-by-case basis. In the event that a contracting authority concludes that there is no cross border interest, a full consideration of the factors above should be documented. The fact that a contract is beneath the relevant threshold will not be enough of a reason for there to be no cross border interest.

- 6.6 Even if the Treaty Principles do not apply, LBB will need to apply the relevant provisions of the Council's CPRs and any other applicable requirements relating to value for money when carrying out a procurement
- 6.7 Local Authorities also have an overarching obligation to conduct a transparent procurement process even where the contract is a concession and they must not use any system which discriminates (directly or as a result of a practical effect) between potential providers .
- 6.8 The second option, which is to join LB Bexley's Parking Services Bailiff Service Level Agreement through the Shared Service arrangement, is not possible as the Bexley contract has no provision within it permitting participation by partner organisations.
- 6.9 The third option of using the current contract between Liberata for the provision of bailiff services is not a cost effective option as LBB will be reliant on Liberata providing management services in addition to the services that it will obtain directly from the bailiff companies.
- 6.10 If option 4 (entering into a direct contract with JBW or Phoenix) is to be used, LB Bromley will have to comply with the overarching obligations of transparency. This means that if there is a likelihood that the contract could attract interest from other member states it would need to be advertised despite being a services concession.
- 6.11 In two recent cases (Belgacom and Comune di Ancona) The Court of Justice of the European Union reminded contracting authorities not to award concessions directly without any prior notification of the opportunity. In both cases the CJEU reiterated that the award of such contracts is subject to overarching principles of European law ie the procurement process must be fair, transparent and non-discriminatory. This law has been enforced in the UK courts – see Photo-Me International v Network Rail 2011.
- 6.12 In this instance, the provision of these services is unlikely to attract cross border interest due to the following factors:
- The contractor is to assume all of the operating risk.
 - There is no guarantee that the contractor will make a profit or recoup all of its operational costs
 - Provision of these services requires familiarity with the recently amended UK legislation namely Part 3 of the Tribunal Courts and Enforcement Act 2007
 - the services are for the collection of outstanding penalty charge notices issued in the UK therefore the bailiff company must be based in the UK

Non-Applicable Sections:	Personnel implications
Background Documents: (Access via Contact Officer)	Report ES11109 – Parking Bailiff & Debt Collection Services: Gateway Report Report ES13009 – Parking Bailiff and Debt Collections Service

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Report No.
ES14009

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment Portfolio Holder

For Pre-Decision Scrutiny by the Environment PDS Committee on

Date: 29 January 2014

Decision Type: Non-Urgent Executive Non-Key

Title: 2014/15 PLANNED HIGHWAY MAINTENANCE PROGRAMME

Contact Officer: Paul Redman, Highways Asset Manager
Tel: 020 8313 4930 E-mail: Paul.Redman@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All

1. Reason for report

This report presents programmes of planned footway and carriageway maintenance identified for completion during the next financial year (2014/15), and lists of roads to be considered in subsequent years as reserve schemes or potential programmes of planned maintenance.

2. **RECOMMENDATION(S)**

That the Environment Portfolio Holder:

- i) **Agrees that the schemes listed in Appendix A should form the basis of the Council's programme of planned highway maintenance for 2014/15 and, subject to budgetary provision, that the works should be progressed;**
- ii) **Notes the reserve schemes and potential programmes of work for future years as listed in Appendix B; and**
- iii) **Notes the proposed TfL funded programme of highway maintenance works (Principal A Roads) for 2014/15 as set out in Appendix C.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality Environment
-

Financial

1. Cost of proposal: Estimated Cost£3.319m
 2. Ongoing costs: Recurring Cost £3.319m
 3. Budget head/performance centre: Highways and TfL funding
 4. Total current budget for this head: £2.3m and £1.019m
 5. Source of funding: Existing highways revenue budget for 2013/14 and 2014/15 principal road maintenance capital allocation from TfL
-

Staff

1. Number of staff (current and additional):4
 2. If from existing staff resources, number of staff hours: 4 fte
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors' comments -
 - a) Cllr Stephen Wells: Bammerton Road should be patched and potholes filled (Kelsey and Eden Park ward).
 - b) Cllr Nicky Dykes: Disappointed with the limited amount of planned maintenance scheduled for Bromley Town Centre ward in comparison with other wards.
 - c) Cllr Julian Bennington: Plans for Biggin Hill noted.

3. COMMENTARY

Background

- 3.1 Bromley has responsibility for a significant highway asset, with total carriageway and footway lengths of approximately 547 miles (880 Km) and 885 miles (1,425 Km) respectively. The carriageways and footways are used by the majority of Bromley's residents, visitors and businesses on a daily basis. This valuable asset helps to facilitate safe and reliable travel around the borough for pedestrians, cyclists and motorists. It thereby makes a significant contribution to the viability and vitality of the borough, and to the shops and trades who do business here. The gross replacement value of the carriageway and footway network is approximately £1.5bn according to Bromley's latest (summer 2013) submission to HM Treasury, and hence it is a valuable asset in the literal sense too.
- 3.2 Planned highway maintenance helps to minimise the amount of more expensive reactive maintenance required on the network, and therefore offers a prudent approach to asset management. It helps reduce the number of claims for damages against the Council and a well maintained, available highway should contribute to enhancing customer satisfaction. The case for continued investment in planned maintenance of the highway asset remains strong.

Road Selection

- 3.3 The lists of roads in appendices A and C set out the recommended planned programmes of work to be undertaken during 2014/15. Separate programmes of work have been published for the Council's principal 'A road' network (Appendix C) and the B, C and Unclassified road networks (Appendix A), including both carriageways and footways. Further lists have been included in Appendix B indicating reserve schemes and potential programmes of work for subsequent years.
- 3.4 The lists of roads were compiled following a two phase commission undertaken by an external highways consultant, a change in procurement strategy from the in-house approach adopted previously. The first phase comprised a condition survey of the whole of Bromley's highway network, both carriageway and footway. This provided a benchmark of physical deterioration evident at each location on the network, and also the data used to determine condition indices.
- 3.5 Condition surveys consistently show more locations requiring maintenance than can be targeted in any one financial year. Hence the second phase of the commission involved prioritisation through value management where data, such as highway location/use (near schools/shops/transport hubs), level of recent reactive maintenance undertaken and the outcomes of consultation, was used to help identify and rank those locations with the highest priority for treatment. This may help to explain why one road may be given a higher priority than another where deterioration in surface condition appears similar.

Condition

- 3.6 A capital allocation from TfL currently funds planned highway maintenance of the Principal 'A road' network. This network is approximately 42 miles (67 Km) in length and continued annual investment of between £0.75m and £1.0m has helped to lower the proportion of roads requiring maintenance to 3%. The length of the remaining carriageway network is 505 miles (813 Km), made up of 58 miles (93 Km) of non-principal classified roads and 447 miles (720 Km) of unclassified roads where planned highway maintenance is funded from the Borough's revenue budget. The budget for planned maintenance of borough roads (carriageways) for the current year is £1.2m. Provisional 2012-13 condition indices show 5% of non-principal classified roads and 20% of unclassified roads requiring maintenance.

- 3.7 The highway condition indices identify the proportion of the network requiring planned maintenance 'soon' and are used as a means of tracking trends in highway condition on an annual basis. Condition of the Borough's non-principal classified roads (B&C) remains at a steady state in line with the Portfolio Plan. However there is firm evidence that the condition of unclassified roads is deteriorating. The corresponding proportion of unclassified roads requiring maintenance in 2009/10 was 16%, rising to 20% in 2011/12.

Treatments

- 3.8 A range of treatments is available for highway maintenance including surface treatments, resurfacing and reconstruction. During the current financial year surface dressing was used extensively as a preventative treatment in rural areas of the borough. The process helps to extend the life of the highway by sealing the surface from the ingress of water and restoring skid resistance. It is a cost effective process and over 70,000 square metres of country lanes were surface dressed in the summer 2013. Had more traditional methods of resurfacing been used, a significantly lower area (approximately half as much) of highway would have been treated.

Discussion

- 3.9 Value management has helped direct funds to the busiest roads in poorest condition. This represents a sound investment strategy. However, evidence indicates this may have been to the detriment of unclassified roads i.e. those estate and residential roads that are not through routes, but generally serve only the community who live in those roads. The condition index suggests that 20% of this highway asset, approximately 90 miles (144 Km), requires planned maintenance 'soon'. Furthermore, condition has been diminishing over time. Four years ago only 72 miles (115 Km) of unclassified road was identified as requiring planned maintenance.
- 3.10 Given this current trend it would be prudent to investigate alternative investment strategies focussing on the unclassified carriageway network. The investigation should examine the relationship between potential investment and the condition of unclassified roads. In developing alternative investment strategies the following approaches could be considered:
- Working on the basis that a fixed budget (at current levels) will continue to be allocated in the foreseeable future, identifying the impact this will have on the condition index and hence the length of road that will require maintenance in subsequent years.
 - Acknowledge that the current condition index represents an acceptable standard and determine the level of annual funding required to maintain the current condition in future years.
 - Identify an acceptable target condition for the unclassified road network and determine the budget required to meet the target condition. This option could be based on a target reduction in the condition index of, say, 5% over a five year period taking account of the impact this would have on budget requirements.
- 3.11 It would be possible to take forward the above scenarios and bring a report back with further information later in the year. Alternatively it has been found helpful in the past, prior to any study work, to first have broader discussions at a Member Working Group level. This would help ensure the most appropriate investment strategies are identified prior to modelling and reporting back. Guidance would be welcomed in respect of the preferred way to investigate this issue of diminishing unclassified carriageway condition.

4. POLICY IMPLICATIONS

- 4.1 The Environment Portfolio Plan 2013/16 states that “The condition of Bromley’s roads and pavements has been consistently identified by residents as a particularly important issue, and their maintenance continues to be a priority for the Council”, and notes that “Satisfaction with the condition of roads and pavements has a significant impact on residents’ confidence in the Council”. Maintaining the highway asset in an appropriate condition contributes to the Council’s vision of providing a place where people choose to live and do business, and links well with the Building a Better Bromley priorities of a quality environment, vibrant thriving town centres and safer communities.

5. FINANCIAL IMPLICATIONS

- 5.1 Planned maintenance works for the Borough roads are funded from the annual revenue highways maintenance budget. The budgets for carriageways and footways are indicated in the table below.
- 5.2 Maintenance of the Principal Road Network is funded by TfL. These funds can only be used for maintenance work on these classified roads.
- 5.3 A summary of the available funding is set out in the table below: -

Funding	£'000	£'000
<u>Revenue - Appendix A</u>		
Carriageway maintenance 2013/14 budget	1,206	
Footway maintenance 2013/14 budget	<u>1,094</u>	
		2,300
<u>Capital - Appendix C</u>		
Pprincipal Road Network 2014/15 funding from TfL		1,019
Total Funding available		<u><u>3,319</u></u>

6. LEGAL IMPLICATIONS

- 6.1 Under the Highways Act 1980 the Council, as the Highway Authority, has duties to ensure the safe passage of highway users and to maintain the highway.

Non-Applicable Sections:	Personnel Implications
Background Documents: (Access via Contact Officer)	Environment Portfolio Plan 2013/16 ES 09093 – Planned Highway Maintenance 2009 Managing a valuable asset: Improving local road condition (October 2013 – APPG) http://www.highwaysmaintenance.org/images/library/files/APPG_Report_-_Managing_a_valuable_asset.pdf Highway Infrastructure Asset Management- Guidance Document (May 2013 – DfT) http://www.ukroadsliasongroup.org/en/utilities/document-summary.cfm?docid=5C49F48E-1CE0-477F-933ACBFA169AF8CB

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PRIORITY 1 - PLANNED HIGHWAY MAINTENANCE PROGRAMME APRIL 2014 TO MARCH 2015

CARRIAGEWAY SCHEMES ON NON-PRINCIPAL AND UNCLASSIFIED ROADS

Priority	ROAD NAME	SECTION of ROAD	WARDS
8	Ambleside Avenue	Complete Length	Kelsey and Eden Park
23	Balfour Road	Complete Length	Bromley Common & Keston
5	Barfield Road	Part	Bickley
16	Blenheim Road	Part	Bickley
14	Bournemouth Road	Complete Length	Orpington/Cray Valley East
31	Burham Close	Part	Penge & Cator
18	Copers Cope Road	Part	Copers Cope
20	Cumberland Road	Part	Shortlands
2	Freelands Road	Complete Length	Plaistow and Sundridge
26	Garden Road	Part	Plaistow and Sundridge
6	Graveney Grove	Complete Length	Penge & Cator
12	High Street	Part	Cray Valley East
17	Hill View Road	Part	Orpington/Farnborough & Crofton
13	Lennard Road	Part	Bromley Common & Keston
21	Letchworth Drive	Complete Length	Hayes & Coney Hall
7	Lower Gravel Road	Part	Bromley Common & Keston
34	Marlborough Close	Part	Cray Valley West
24	Melody Road	Part	Biggin Hill
4	Old Hill	Part	Chislehurst
36	Prince Imperial Road	Part	Chislehurst

10 Raglan Road	Complete Length	Bromley Town/Bromley Common & Keston
22 Ramsden Road	Part	Orpington
15 Rangefield Road	Complete Length	Plaistow and Sundridge
30 Raymond Road	Complete Length	Kelsey & Eden Park
11 Rushmore Hill	Part	Chelsfield and Pratts Bottom
3 South Eden Park Road	Part	Kelsey & Eden Park
35 St Giles Close	Part	Farnborough & Crofton
29 Steyning Grove	Part	Mottingham & Chislehurst North
1 Sundridge Avenue	Part	Bickley/Plaistow and Sundridge
27 Victoria Road	Part	Chislehurst
9 Village Way	Part	Kelsey & Eden Park
28 Warren drive	Complete Length	Chelsfield and Pratts Bottom
33 Willow Close	Part	Cray Valley East
19 Windsor Drive	Part	Chelsfield and Pratts Bottom
32 Woodstock Gardens	Part	Copers Cope
25 Worsley Bridge Road	Part	Copers Cope

PRIORITY 2 - PLANNED HIGHWAY MAINTENANCE PROGRAMME**CARRIAGEWAY SCHEMES ON NON-PRINCIPAL AND UNCLASSIFIED ROADS**

ROAD NAME & DISTRICT	SECTION of ROAD	WARDS
Worbeck Road	Complete length	Clockhouse
Hawkwood Lane	Part	Chislehurst
Leamington Avenue	Complete length	Plaistow and Sundridge
Kingswood Road	Part	Shortlands
Langley Way	Part	West Wickham
Elmfield Road	Complete Length	Bromley Town
Suffield Road	Complete Length	Clockhouse
Edward Road	Complete length	Plaistow and Sundridge
Jackson Road	Part	Bromley Common and Keston
Park End	Complete length	Bromley Town
Willett Way	Complete length	Petts Wood & Knoll
Gleeson Drive	Complete length	Chelsfield and Pratts Bottom
Hayes Way	Part	Shortlands
Gilroy Way	Complete length	Orpington/Cray Valley East
Kingsmead	Complete length	Biggin Hill
Hazelmere Road	Part	Petts Wood & Knoll
Balmoral Avenue	Complete length	Kelsey & Eden Park
Greenways	Part	Kelsey & Eden Park
Kings Road	Part	Biggin Hill
Pickhurst Park	Part	Shortlands
Manor Way	Part	Kelsey & Eden Park
Red Cedars Road	Complete length	Farnborough & Crofton
Chesham Crescent	Complete length	Penge & Cator
Goodmead Road	Complete length	Cray Valley east

Goddard Road	Complete length	Kelsey & Eden Park
Wheathill Road	Complete length	Clock House
Blandford Road	Complete length	Clock House
Ashbourne Rise	Complete length	Chelsfield and Pratts Bottom/Farnborough & Crofton
Crampton Road	Complete length	Penge & Cator
Garden Road	Part	Plaistow and Sundridge
Church Hill	Complete length	

PRIORITY 1 - PLANNED HIGHWAY MAINTENANCE PROGRAMME APRIL 2014 TO MARCH 2015**CARRIAGEWAY AND ASSOCIATED FOOTWAY SCHEMES ON PRINCIPAL ROADS**

ROAD NAME & DISTRICT	SECTION of ROAD	WARDS
A222 Widmore Road	Widmore Green to Freelands Road	Bromley Town/Bickley
A2212 Burnt Ash Lane	Southover to Briary Gardens	Plaistow & Sundridge
A233 Main Road	Church Road to Edward Road	Biggin Hill
A233 Main Road	Churchill Way to end of dualling	Biggin Hill
A222 Summer Hill	Islehurst Close to footbridge	Chislehurst
A224 Cray Avenue	Railway bridge to Kent Road	Cray Valley east
A223 Sevenoaks Road	High Street to Cardinham Road	Chelsfield & Pratts Bottom
A208 Centre Common Road/St Paul's Cray Road	Prince Imperial Road to Manor Park Road	Chislehurst
A222 Manor Road	High Street to Wickham Road	Copers Cope/Kelsey & Eden Park
A222 Bromley Road, Chislehurst	Centre Common Road to Prince Imperial Road	Chislehurst

PRIORITY 1 - PLANNED HIGHWAY MAINTENANCE PROGRAMME APRIL 2014 TO MARCH 2015**FOOTWAY SCHEMES ON NON-PRINCIPAL AND UNCLASSIFIED ROADS**

ROAD NAME & DISTRICT	SECTION of ROAD	WARDS
Green Lane, Chislehurst	Complete Length	Chislehurst
Grosvenor Road, Orpington	Complete Length	Cray Valley West
Raglan Road, Bromley	Complete Length	Bromley Town
Southbourne, Hayes	Complete Length	Hayes and Coney Hall
Garden Road, Bromley	Complete Length	Plaistow and Sundridge
Highwood Drive, Orpington	Complete Length	Farnborough and Crofton
Mells Crescent, Mottingham	Complete Length	Mottingham and Chislehurst North
Sundridge Avenue, Bromley	Part	Bickley
Hawes Road, Bromley	Complete Length	Plaistow and Sundridge
Repton Road, Orpington	Part	Orpington
Ramsden Road, Orpington	Part	Orpington
Lynton Avenue, Orpington	Part	Cray Valley East
Hawkhurst Way, West Wickham	Complete Length	West Wickham
Durham Avenue, Bromley	Complete Length	Shortlands
Warren Drive, Chelsfield	Complete Length	Chelsfield and Pratts Bottom
Wood Drive, Chislehurst	Part	Chislehurst

Shrewsbury Road, Beckenham	Complete Length	Clockhouse
Eagles Drive, Biggin Hill	Complete Length	Biggin Hill
Abbotsbury Road, Hayes	Complete Length	Hayes and Coney Hall
Dowding Road, Biggin Hill	Complete Length	Biggin Hill
Rangefield Road	Complete Length	Plaistow & Sundridge
Station Approach, Chelsfield	Complete Length	Chelsfield and Pratts Bottom

PRIORITY 2 - PLANNED HIGHWAY MAINTENANCE PROGRAMME**FOOTWAY SCHEMES ON NON-PRINCIPAL AND UNCLASSIFIED ROADS**

	SECTION of ROAD	WARDS
Aldersmead Road	Part	Penge & Cator
Belvedere Road	Part	Crystal Palace
Chesham Road	Part	Penge & Cator
Eden Park Avenue	Part	Kelsey & Eden Park
Elmfield Road	Complete	Bromley Town
Elmstead Lane	Part	Chislehurst, Plaistow & Sundridge and Bickley
Farnborough Hill	Part	Farnborough & Crofton
Florence Road	Complete	Clock House
Kendall Road	Complete	Clock House
Lawrie Park Crescent	Part	Crystal Palace
Lullington Road	Part	Crystal Palace
Main Road	Part	Biggin Hill
Mottingham Road	Part	Mottingham & Chislehurst North
Norheads Lane	Part	Biggin Hill
Percy Road	Part	Penge & Cator
Phoenix Road	Part	Penge & Cator
Quernmore Road	Complete length	Plaistow & Sundridge
Ramsden Road	Part	Orpington
Raymond Road	Part	Kelsey & Eden Park

Station Road	Part	Bromley Town/Plaiſtow & Sundridge
Summer Hill	Part	Chislehurst
The Avenue	Part	Copers Cope
Tubbenden Lane	Part	Chelsfield & Pratts Bottom/Farnborough & Crofton
Walden Road	Part	Chislehurst

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Agenda Item 7

Report No.
ES14008

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment PDS Committee

Date: 29th January 2014

Decision Type: Non-Urgent Non-Executive Non-Key

Title: THE STREET ENVIRONMENT CONTRACT REVIEW 2012-13

Contact Officer: Peter McCready, Head of Area Management
Tel: 020 8313 4942 E-mail: peter.mccready@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All

1. Reason for report

A contract for frontline street environment services (incorporating street cleansing, graffiti removal, cleansing of public conveniences, and highway drainage cleaning) was let on 29th March 2012 for a period of five years with an option of a two year extension. The specifications for each service were revised in order to achieve a significant budget saving. The PDS Committee received a report on 15th January 2013 (Report ES13001 Item 41) reviewing the progress of the street cleaning contract and the impact of the service changes since the contract commencement, and requested a further update of progress. This report outlines progress made against the key issues raised by Members, taking into account residents' perceptions of street cleanliness and their satisfaction with this service.

2. **RECOMMENDATION(S)**

That Members note and comment on this report, in particular:

- 2.1 The positive results of the independent resident satisfaction survey of street cleansing standards, and attention that will be given to the highlighted areas of concern;
- 2.2 The reduced levels of enquiries from the public regarding street environment contracts since the last report to Environment PDS Committee; and
- 2.3 That the frequency of sweeping will continue to be monitored and adjusted where required to ensure cleanliness standards are achieved; and that additional programmes of work, including deep cleaning of streets and weekend road cleaning, will continue.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Recurring Cost : £3.946m
 3. Budget head/performance centre: Streetscene & Greenspace
 4. Total current budget for this head: £3.946m
 5. Source of funding: Existing Revenue Budget 2013/14
-

Staff

1. Number of staff (current and additional): 8
 2. If from existing staff resources, number of staff hours: 7.5 fte
-

Legal

1. Legal Requirement: Statutory Requirement: Environment Protection Act 1990
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough wide impact on residents, businesses and visitors
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: n/a

3. COMMENTARY

- 3.1 The contract to provide street cleansing and other associated environmental services was let on 29th March 2012 for a five year period, with the option to extend the contracts by two years if the Council is satisfied with the contractors' performance.
- 3.2 The Street Environment Contract was tendered in 2011, with a combined value of work of almost £5M per annum, in accordance with European Union Procurement Directives. It was awarded as separate lots to the following contractors:
- Kier Environmental Service, for street cleaning (Lot 1)
 - Community Clean, for graffiti removal (Lot 2)
 - Kier Environmental Services, for cleaning of public conveniences (Lot 3)
 - Veolia, for cleaning of highway drainage assets (Lot 4)
- 3.3 The range of services provided by the Street Environment contract was considered by a Working Group of the Environmental Services PDS Committee, following a study undertaken between July 2010 and October 2010. The recommendations of the Working Group covered service requirements, the procurement strategy and contractual arrangements. Several key changes were made to the previous contract specification to provide the best fit for the particular circumstances of Bromley's environment and financial situation. The contract allowed for potential changes to be made to frequencies and standards of cleaning at the tender award stage or during the term of the contract. A revised frequency of cleaning enabled a saving of £800k per annum to be achieved, predominantly by rescheduling the frequency of cleaning residential streets to fortnightly for pavements and four weekly for carriageways.
- 3.4 The Working Group made a number of recommendations on how services should be improved. These included: enforcement activity; voluntary support from residents and businesses; and how the successful contractor would be responsible for the impact of its activities on the environment, employees, and the public through its approach to Corporate Social Responsibility (CSR). Account was taken of the success of the Street Friends initiative, and examples in other boroughs of the use of volunteers to assist with monitoring contractors' performance and reporting problems. The contract therefore included obligations towards developing community engagement, including support for Street Friends. An example of this support includes the provision of the 'Purple Sack' Hotline – a dedicated service for Street Friends whereby the contractor provides purple coloured waste sacks to volunteers who carry out litter picking on an ad hoc basis in their local neighbourhood. When completed they would inform the contractor directly, via a telephone answerphone service, that the bagged waste was ready for collection.
- 3.5 The Environment Policy Development and Scrutiny Committee received a report on 15th January 2013 (ES 13001 Item 41) which reviewed the contractors' performance during the first nine months of the street environment contracts. In discussion Members queried the working practices adopted by the street cleaning contractor and expressed the need for continual review of the frequency of cleaning, especially where there were heavily parked areas where the frequency should be based on demand and need. Suggestions were made to introduce less frequent but more effective 'deep cleaning' in certain areas, in conjunction with the option for weekend cleaning where there was less on-street parking. Members suggested it was necessary to develop a process of engaging with residents where they would be prepared to move cars for cleaning purposes. The interaction between residents, officers and the contractor's operatives was felt to be a key part of sharing intelligence and assisting with the identification of local 'hot spots'. The development of revised schedules and displaying the information on the Councils website was also a requirement when the contract had bedded down.

- 3.6 The previous report outlined options for further service improvements within budgetary constraints, including changes in working practices to address the issues of: cleaning heavily parked streets; cleaning roads at weekends; additional litter bin emptying; and gathering intelligence through engagement with residents to identify local hot spots and monitor progress.
- 3.7 It was agreed that another review of the street cleaning contract should be reported to Members following a further year of operation, to review progress and the impact of changes to street cleaning frequencies.
- 3.8 The focus of this report is therefore on the street cleansing contract operated by Kier Services. Performance of the other three contracts remains good and regular monitoring of the services continues with performance standards raised with the relevant contractors as necessary.

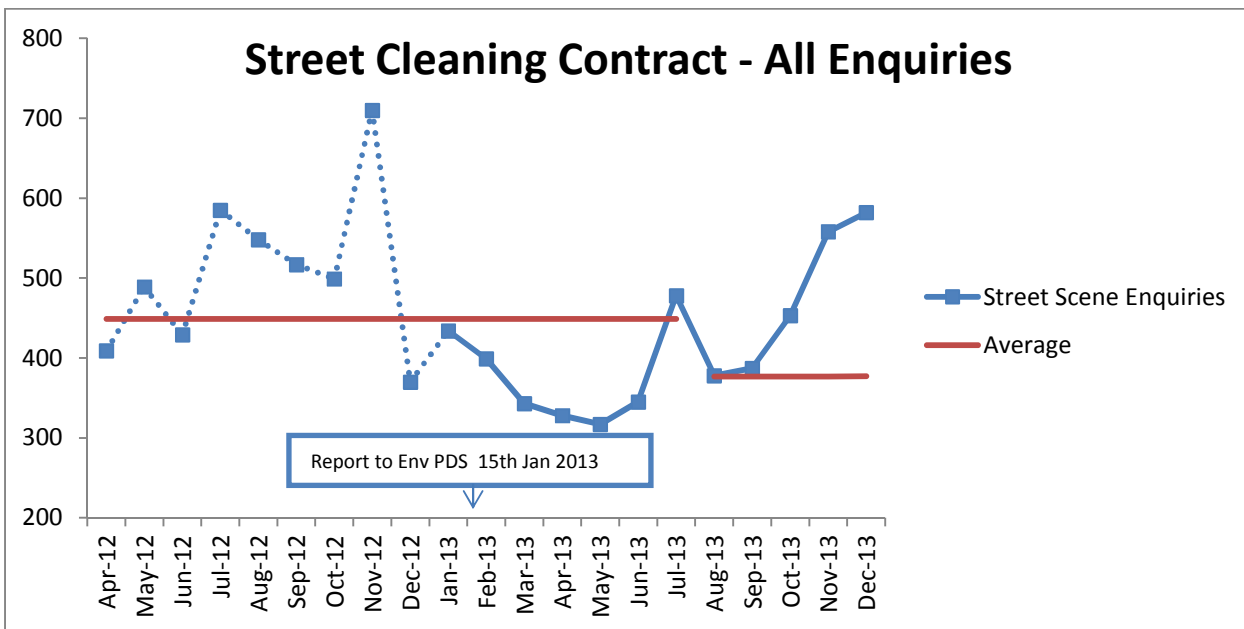
Review of Operational Performance

- 3.9 As highlighted in the report to Environment PDS Committee in January 2013 (ES 13001) the key operational issues were:
- Overflowing litter bins
 - Cleansing in tightly parked streets, and
 - Excessive weed growth
- 3.10 The report outlined how officers had worked with the contractor to deal with these issues, resulting in a subsequent reduction in the number of issues reported by residents (see Figures 1-4 in this report).
- 3.11 Whilst members of the public are still reporting street scene problems, considerable effort has been taken by the contractor and officers to target the causes of problems and reduce their frequency. The service innovations indicated in paragraph 3.6 were introduced as a direct result of the contract monitoring procedures, and have led to tangible improvements in performance. These additional programmes of work are important in maintaining steady improvements to the service and reducing avoidable customer contacts. These programmes should continue as they have proven to be effective.
- 3.12 To tackle the issue of cleansing in tightly parked streets, the 2012/13 programmes of weekday deep cleaning (150 streets) and weekend road channel cleaning (41 streets) have been increased for the 2013/14 programme to include weekday deep cleaning of 252 streets and weekend road channel sweeping of 127 roads. These additional programmes of works are funded from the contract contingency sum of £200k p.a. held in the Street Scene revenue budget, as agreed by the Executive Committee on 14th December 2011 (ES11123).
- 3.13 A further £200k is held in Central Contingency to manage the potential risks to service changes that were introduced in the new contract.
- 3.14 .As reported in January 2013, customer reports showed a significant increase in enquiries following the commencement of the contract. Customer reports relating to the street cleaning contract have been measured and compared between the periods April 2012 to December 2013.
- 3.15 Whilst there continue to be seasonal variations of the volume received (such as periods of weed growth and autumn leaf-fall), the overall trend demonstrates a decline in the number of issues affecting residents. Trends in the volume of enquiries since January 2013 have now been measured and are illustrated in the graphs contained within this report. The graphs also indicate key interventions during the period. Examples include the seasonal increase in

contacts relating to autumn leaf-fall collection, and the introduction of programmes of additional work of removal.

3.16 As shown in figure 1, the number of overall reports has reduced across all service types and become more consistent on a monthly basis. In general, the volume of street sweeping reports has reduced by 10%, inclusive of the reports relating to autumn leaf-fall;

Figure 1 - All Street Cleaning Contract Enquiries (incl. litter bins, sweeping, autumn leafing and weeds)



3.17 It is also possible to establish the trend of received reports for specific subject matters, such as street sweeping, street weeds and litter bins. A breakdown of these findings is illustrated in Figures 2, 3, and 4. Street weed enquiries have reduced by 59%; and litter bin issues have reduced by 42%.

Figure 2 – Street Sweeping

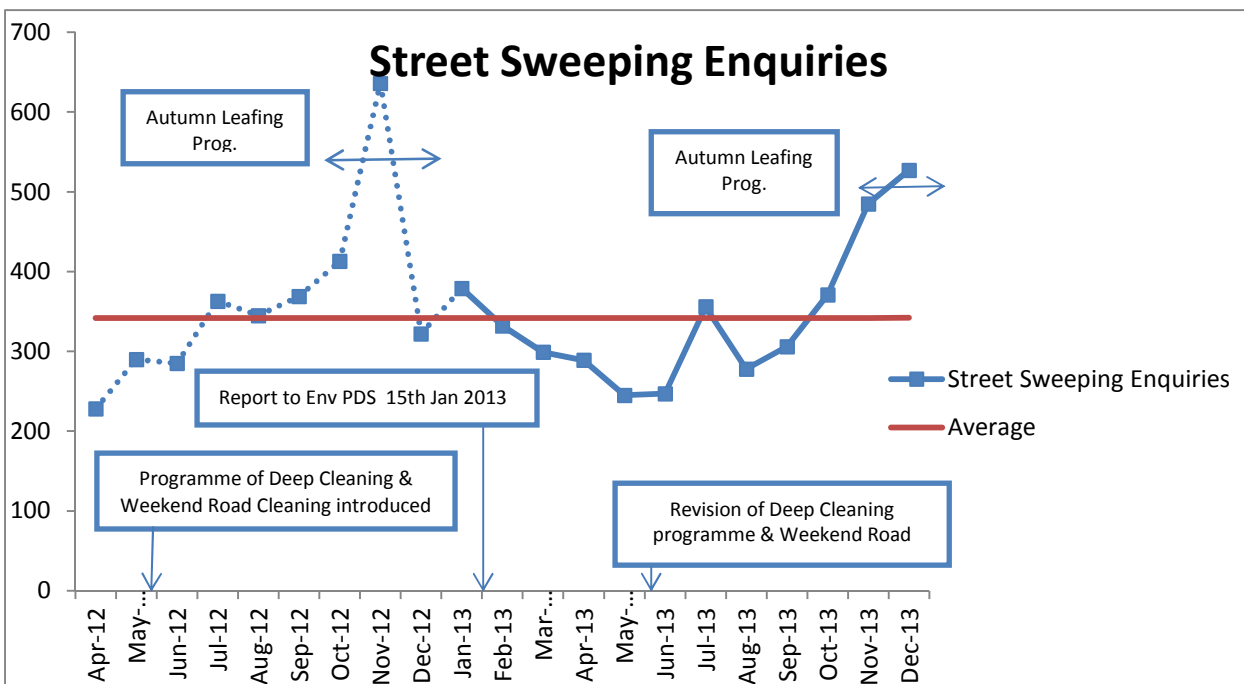


Figure 3 – Street Weeds

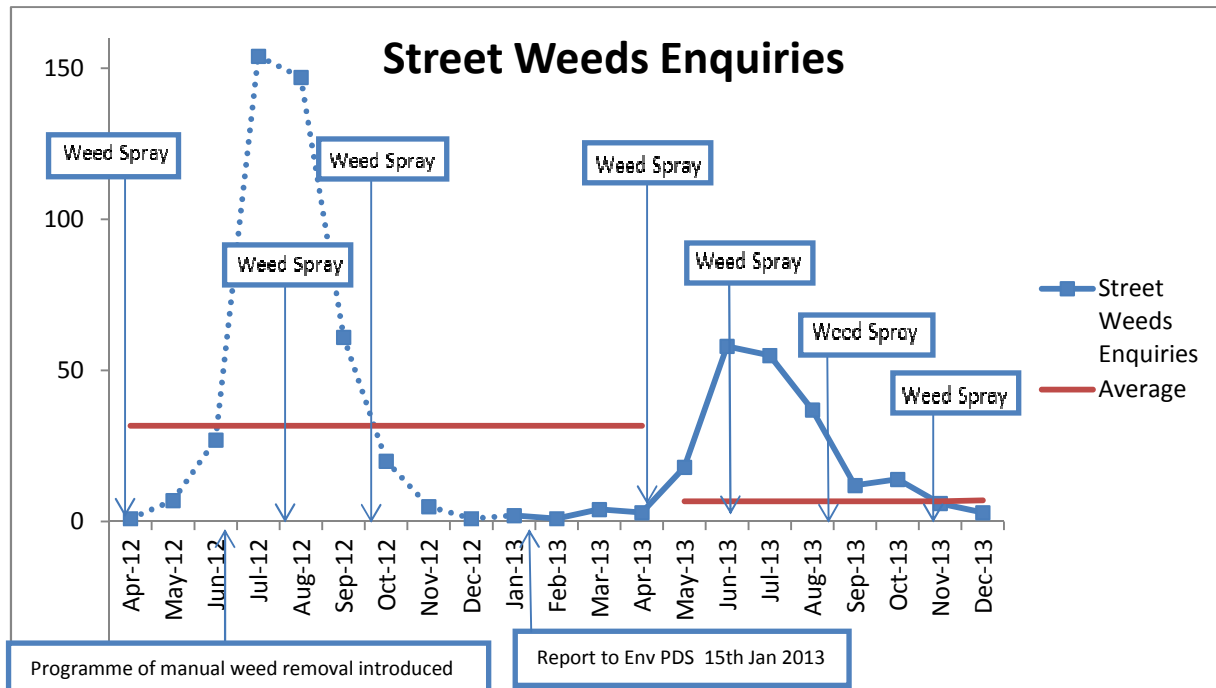
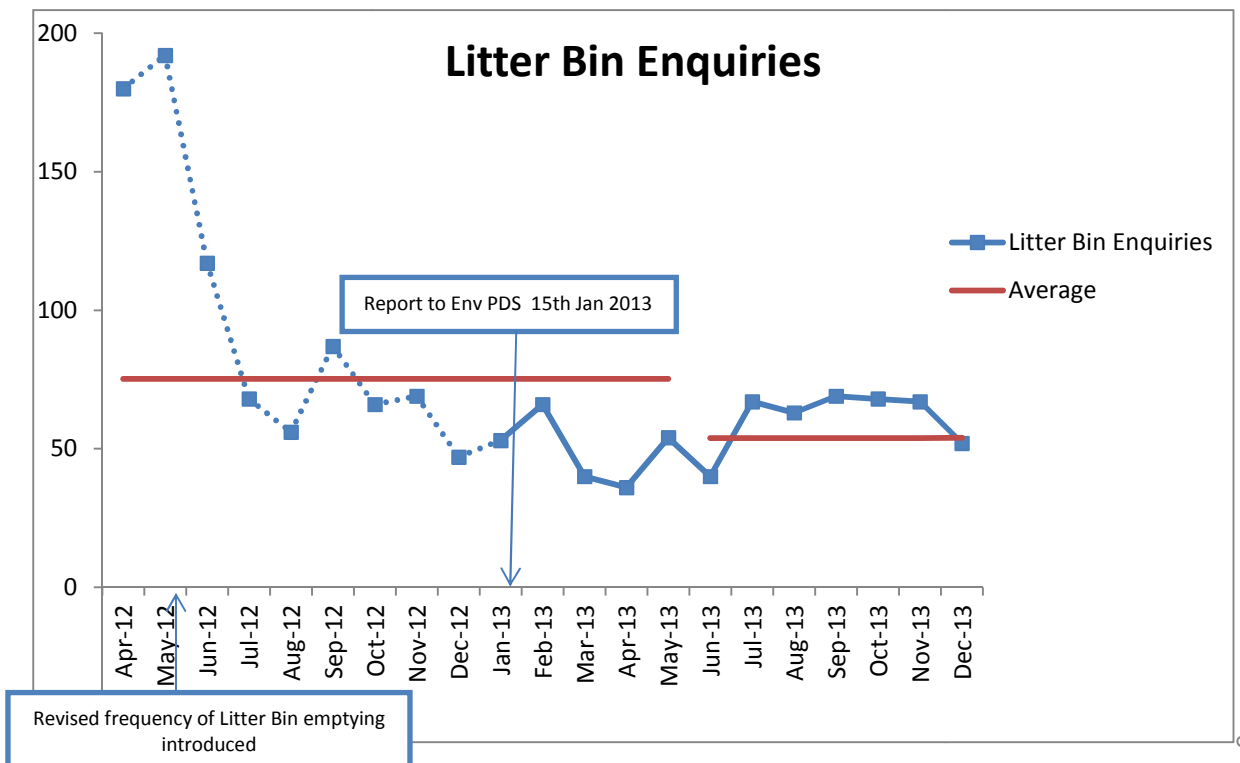


Figure 4 – Litter Bins



3.18 Information gained from customer reports has been corroborated by data from scheduled inspections of street cleanliness, as reported to Committee in November 2013 (ES 13122). In the first two tranche inspections of 2012, 6.2% and 9.7% of areas were deemed to have unsatisfactory levels of litter and detritus respectively. In the first two tranche inspections of 2013, these proportions had declined significantly to 5.1% (litter) and 6.4% (detritus).

3.19 The current street cleaning contract is based on productivity levels associated with specified frequencies of cleaning. It has proven to be versatile in its ability to cope with changing circumstances, without the need for contract renegotiation or claims for additional costs by the

contractor. The practice of monitoring and reviewing the levels of cleanliness achieved by the scheduled cleaning frequencies, and adapting routine operations to suit local requirements, will be continued.

- 3.20 Local knowledge gained from Residents Associations, Street Friends and other interest groups can lead to changes in cleansing operations. Following the January 2013 Environment PDS Meeting, Councillor David Jefferys sought assistance from officers to establish a methodology to improve links between the Council and residents associations representatives to improve their local environment. As a result a 'linkage' pilot scheme was created in June 2013 involving the Park Langley RA and Shortlands RA, both residents associations in Shortlands Ward. Guided by Councillor Jefferys, meetings have been held to share knowledge regarding service delivery and to identify local issues and 'hot spots'. The meetings discussed engagement with residents, and how the RAs could assist by encouraging car owners to park away from streets during periods of scheduled cleaning. A verbal report outlining the developments of the pilot will be presented to Committee by Councillor Jefferys.
- 3.21 To support a more efficient and effective street cleansing operation the new contract required the geographical base for the contractor to be changed. In August 2013 the street cleaning contractor moved from the Beaverwood Depot, Chislehurst, to the Annex of the Central Depot site, The Avenue, Bromley, adjacent to the Council's Waste Transfer Station.
- 3.22 The change of operational base for the contract presented a number of advantages. Most important is the elimination of the 'downtime' caused by vehicles which previously had to visit the Waste Transfer Station to dispose of waste before returning to the Beaverwood Depot at the end of each operational shift. The contractor has factored the time saved into their street cleaning schedules, improving efficiency and completing tasks earlier.
- 3.23 In order to provide more effective working practices the contractor is required to optimise street cleaning routes to align with waste and recycling collections. The contractor also has to take into account the timing of street cleaning visits to avoid contributing to traffic congestion. A night-time schedule of road sweeping of main arterial roads has also been implemented by the contractor to address this challenge.
- 3.24 Following the severe wet and windy weather experienced during November and December 2013, a review of highway drainage cleaning frequencies and identification of localised flooding hot spots will be undertaken. This will lead to confirmation of the frequencies of cleaning and determine the necessity for further drainage investigations. Improvements to Council-owned infrastructure may be necessary to alleviate surface water flooding of the public highway.

The Public's Perceptions of Street Cleaning

- 3.25 Street cleaning can have a major impact on the public's perceptions of their local environment and the reputation of the services provided by the Council. The appearance of the local area can impact on health and wellbeing, crime rates, levels of anti-social behaviour and the vibrancy of the local economy.
- 3.26 To help the Council maintain high levels of public satisfaction with street cleanliness the contractor, Kier, has taken a 'neighbourhood' approach. This involves groups of workers assigned to particular geographic areas of the borough. By getting the operatives to know their area they are encouraged to develop a degree of local 'knowledge' with a greater opportunity to use their own initiative to work more flexibly and efficiently.

- 3.27 This approach improves job satisfaction, productivity and ultimately residents' perceptions of the street cleansing service. Kier has taken steps to ensure its workforce is aware of the expectations of the service. Kier also listens to feedback from its operatives, discussing issues and raising concerns where there are problems. Crucially, Kier has attempted to build a team spirit through the neighbourhood approach as operatives share responsibility for maintaining their local area. They have also addressed the status of street cleaners by building esteem and motivating staff by encouraging them to use their initiative. Training opportunities are provided to up-skill and progress, and support is provided to assist operatives with their daily duties.
- 3.28 Understanding people's perceptions is a very important factor in maintaining public spaces that everyone can enjoy. In order to identify residents' priorities, the contract requires the contractor to commission an independent survey of the public's satisfaction with street cleanliness on an annual basis. The survey asks how respondents feel about street cleanliness issues, and how important they feel problems are both in their local area and in the borough's town centres.
- 3.29 In August 2013, Kier arranged for an independent consultant to undertake a postal survey and on-street interviews in Bromley town centre. Questions were adapted for the different situations, since some of those responding to the on-street survey would be visitors to the Borough rather than residents. The response rate to the postal survey was very good (25.2%). The responses to the survey are summarised in a table in Appendix A of this report.
- 3.30 An analysis of the postal survey was broken down by the category of land use of the surrounding area, including commercial, retail, housing type, main roads and other highway areas. Overall, there were very positive responses:
- 75% were satisfied with the cleanliness of their streets
 - 82% described their local shopping area as clean
 - 89% were satisfied with the cleanliness of their town centres
- 3.31 All questions had a favourable response of more than 50%, with most having a favourable response of over 75%.
- 3.32 The top 3 issues of most concern to respondents were:
1. Leaves in autumn in their streets, with 44% indicating that it is a significant problem.
 2. General litter 29%, and
 3. Dog fouling 28%

Measures to address these points are identified in para 3.35.

- 3.33 The on-street survey asked Bromley residents about their street and local neighbourhood; non-residents were only asked about the town centre. Overall, there were extremely positive responses:
- 88% were satisfied with the cleanliness of their streets
 - 89% described their local neighbourhood as clean
 - 95% were satisfied with the cleanliness of Bromley town centre

The issues of most concern to respondents were:

- chewing gum in the town centre, with 52% indicating that it was a significant problem, and
- Cigarette ends, with 39% indicating that it was a significant problem.

- 3.34 To summarise, satisfaction with cleansing and perception of cleanliness are generally very high. Greater emphasis on tackling the autumn leaves issues was identified as being of the most concern, with litter being a secondary issue in residential areas followed by dog fouling. Chewing gum and cigarette ends were the main issues of concern in the town centres.
- 3.35 Issues such as dog fouling, cigarette ends, chewing gum, general litter and autumn leaf-fall clearance require a range of different approaches in addition to routine cleaning of pavements. Examples of programmes of work relating to these issues include:
- (a) The Council encourages dog owners to pick up after their dogs. Where fouling 'hot spots' emerge, awareness can be raised by improving signage, and enforcement action can be taken by targeted patrols with the power to issue Fixed Penalty Notices (FPN). These steps are outside of the scope of the street cleaning contractor's remit and are currently being trialled by the Parks Security contractor. The success of the measures under the Council's control clearly plays an important role in the public's perception of how effective the street cleaning contractor performs.
 - (b) All town centres have ashtrays attached to litter bins to accommodate smoking related litter. Mechanical sweeping of town centres is carried out on a daily basis from the early morning until late evening, with regular visits by operatives to remove any build-up of cigarette ends. Enforcement action is also taken in town centres with targeted patrols for littering offences with predominance (80-90%) of FPN's issued for smoking related litter.
 - (c) A seasonal programme of chewing gum removal for all town centres has been in operation since the commencement of the contract, with periodic revisits to local hot spots such as bus stops and outside fast food establishments by the graffiti removal contractor (Community Clean).
 - (d) An additional programme of litter picking patrols and litter bin emptying of local hot spots and other busy areas are scheduled between the routine frequencies of street cleaning visits in order to reduce the build-up of general litter.
 - (e) The street cleaning contractor does not have complete control over the clearance of autumn leaf-fall, as the prevailing weather conditions can have a dramatic effect upon the dropping period of autumn foliage. The contractor employs additional resources during the autumn months to accommodate the significant volume of leaf-fall, estimated in the range of approximately 1,000 tonnes of material each year. The Council has records on its stock of 36,000 street trees, and estimated periods of leaf-fall are calculated to enable an intelligence-led programme of collection to be planned in advance. The Council does not hold the details of all trees in private ownership that adjoin the public highway, but it is estimated that there is a similar number with foliage dropping onto the highway. The very wet and windy autumn weather of 2013 added to the complexity of these operations, as higher levels of leaf-fall than anticipated were experienced during October and November. The St Jude Storm (28th October 2013) created significant problems for scheduled street cleaning activities, with continued wet weather conditions throughout November and December making litter, leaf and detritus removal a difficult task. This also led to localised flooding difficulties. The routine schedules of work of the street cleaning contractor (Kier) and the highway drainage contractor (Veolia) were disrupted during this period, to accommodate the removal of debris and to alleviate flooding affecting the public highway.

4. POLICY IMPLICATIONS

- 4.1 The Council's street cleaning service should: take account of public expectations and levels of satisfaction; achieve and sustain a high level of quality in the local environment; achieve a high visibility; and be flexible to take account of changing local circumstances.
- 4.2 The street environment contract supports a number of ambitions expressed in Building a Better Bromley, in particular the commitment to "provide a clean, green and tidy environment, meeting and maintaining standards of quality, which reflect service levels agreed between local communities and their elected Members"
- 4.3 Improved street cleanliness is a key outcome set out in the Environment Portfolio Plan 2013-16, and supports the Council's Building a Better Bromley aims to provide a quality environment, vibrant thriving town centres, and safer communities.

5. FINANCIAL IMPLICATIONS

- 5.1 The 2013/14 budget for the street environment contract is £3.946m. The table below sets out the budget and projected spend for the service areas within the contracts:-

Street Environment Contract	2013/14	2013/14	2013/14
	Budget	Projection	Variance
	£'000	£'000	£'000
Street cleaning	3,153	3,153	0
Graffiti removal	244	244	0
Cleansing of public conveniences	56	56	0
Cleaning of highway drainage	293	253	(40)
Cleaning contingency	200	220	20
Total	3,946	3,926	(20)

- 5.2 The additional non-scheduled programmes of work (such as deep cleaning, weekend carriageway cleaning, litter picking, etc.) have improved street cleanliness and helped reduce call volumes to a satisfactory level. These activities have been funded from the £200k contract contingency sum held within the Street Scene and Street Cleansing revenue budget.
- 5.3 The provision of a sum of £200k was set aside in the Central Contingency to manage the potential risks to service changes, agreed by the Executive Committee 14th December 2011. To date, the Executive has not been requested to draw-down any funding for such changes.
- 5.4 The current financial climate presents the challenge of continuing to deliver satisfactory standards of service with fewer resources.

Non-Applicable Sections:	Personnel, Legal
Background Documents: (Access via Contact Officer)	Street Environment Contract Review 2013/14 ES13001 (15 th January 2013) Environment Portfolio Plan 2013/14; Half-Year Progress Report (ES 13122, 19 th November 2013)

Appendix A

Public Satisfaction Survey Results (August 2013)

Satisfied/ Clean/ Small Problem/ Occasional Prob./ Not a Problem	Postal	Difference (On-street – Postal)	On-street
Street			
1. Satisfied?	75%	13%	88%
2. Clean?	76%	14%	89%
3a. General Litter	71%	6%	77%
3b. Graffiti	99%	-2%	97%
3c. Chewing Gum	96%	-1%	95%
3d. Cigarette Ends	81%	6%	87%
3e. Dog Fouling	72%	4%	76%
3f. Leaves in Autumn	56%	19%	75%
3g. Fly-Tipping	89%	-2%	87%
3h. Fly-Posting	99%	0%	98%
3i. Weeds	82%	3%	85%
3j. Overflowing Litter Bins	76%	4%	80%
3k. Mud, Dust or Dirt	84%	2%	87%
Local Area			
5. Clean?	82%	7%	89%
Town Centre			
7. Satisfied?	89%	6%	95%
8. Clean?	90%	4%	94%
9a. General Litter	79%	0%	80%
9b. Graffiti	90%	6%	96%
9c. Chewing Gum	64%	-16%	48%
9d. Cigarette Ends	69%	-8%	61%
9e. Dog Fouling	89%	6%	95%
9f. Leaves in Autumn	87%	4%	91%
9g. Fly-Tipping	94%	-2%	92%
9h. Fly-Posting	93%	3%	96%
9i. Weeds	94%	4%	97%
9j. Overflowing Litter Bins	79%	6%	85%
9k. Mud, Dust or Dirt	92%	2%	94%

Findings from the Survey

(i) The comparison shows that respondents to the on-street survey had a more favourable view of most issues than respondents to the postal survey. In particular they were more likely to describe their streets, local area and town centre as clean, and to be satisfied with the cleanliness of their streets and town centre.

(ii) The issue of most concern for postal survey respondents was leaves in autumn. The issue of most concern to on-street survey respondents was chewing gum in town centres. Cigarette ends in town centres was the next most concerning issue for on-street survey respondents. Both these issues (chewing gum and cigarette ends in town centres) are viewed considerably less favourably by those responding to the on-street survey than those responding to the postal survey. This may be due to the visibility of these issues when responding to a survey in the town centre, whereas those responding at home may not recall these being an issue.

(iii) Fly-posting and graffiti were considered to be among the least problematic issues affecting respondents having a favourable response of 99% .

(iv) Other important aspects of street cleanliness relate to the levels of detritus (such as natural grit, mud or dirt) and litter. These issues are an important measure of street cleanliness and form part of the daily monitoring of the contractor's performance in cleaning streets. 84% of respondents were satisfied with the standard of detritus levels in their street and town centres (92%), whereas 71% of respondents were satisfied with general litter levels. High levels of detritus can cause damage to road surfaces; often large accumulations instigate weed growth, which can then also begin to damage road and pavement surfaces. Litter, although not as much of an issue on the ground as detritus, is something the public feel strongly about, with 29% of respondents saying this was an area for improvement in their street.

(v) 24% of respondents were not satisfied with dog fouling levels. The health risks associated with dog fouling (in particular the risks to young children on routes to schools and open spaces), and the fact that it is perceived as dirty and unacceptable, makes this an issue for the public.

Agenda Item 8

Report No.
FSD14008

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: Environment PDS Committee

Date: 29 January 2014

Decision Type: Non-Urgent Non-Executive Non-Key

Title: DRAFT 2014/15 BUDGET

Contact Officer: Claire Martin, Head of Finance
Tel: 020 8313-4286 E-mail: claire.martin@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: Boroughwide

1. Reason for report

- 1.1 The prime purpose of this report is to consider the Portfolio Holder's Draft 2014/15 Budget which incorporates future cost pressures and initial draft budget saving options which were reported to Executive on 15 January 2014. Members are requested to consider the initial draft budget savings proposed and also identify any further action that might be taken to reduce cost pressures facing the Council over the next four years.
- 1.2 Executive are requesting that each PDS Committee consider the proposed initial draft budget savings and cost pressures for their Portfolio and the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2014/15 Council Tax levels.
- 1.3 There are still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2014/15 Council Tax report to the next meeting of the Executive.

2. **RECOMMENDATION(S)**

The PDS Committee are requested to:

- (a) Consider the update on the financial forecast for 2015/16 to 2017/18;
- (b) Consider the initial draft saving options proposed by the Executive for 2014/15.
- (c) Consider the initial draft 2014/15 Budget as a basis for setting the 2014/15 Budget;
- (d) Provide comments on the initial draft 2014/15 Budget for the February meeting of the Executive.

Corporate Policy

1. Policy Status: Existing policy.
 2. BBB Priority: Excellent Council. Quality Environment
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: Recurring cost.
 3. Budget head/performance centre: Environment Portfolio Budgets
 4. Total current budget for this head: £40.6m
 5. Source of funding: Draft revenue budget for 2014/15
-

Staff

1. Number of staff (current and additional): full details will be available with the Council's 2014/15 Financial Control Budget published in March 2014
 2. If from existing staff resources, number of staff hours: N/A
-

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 2002.

2. Call-in: Call-in is not applicable.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
 2. The 2014/15 budget reflects the financial impact of the Council's strategies, service plans etc which impact on all of the Council's customers (including council tax payers) and users of the services.
-

Ward Councillor Views

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

3. COMMENTARY

Approach to Budgeting, Financial Context and Economic Situation which can impact on public finances

- 3.1 The overall approach to budgeting as well as an update on the economic situation were reported to the previous meeting of the Executive in sections 3 and 4 of the "Update on Council's Financial Strategy 2014/15 to 2017/18" report. Economic growth has returned and the UK is now seeing a faster increase in economic activity than most of the Eurozone. However, the Budget Strategy has to be set within the context of a reducing resource base, with Government funding reductions, in reality, continuing until beyond 2020 – the ongoing need to reduce the size and shape of the organisation to secure priority outcomes within the resources available. Members will need to consider decisions now that can have a significant impact on the future years' financial position which ultimately will help to protect key services.
- 3.2 The Council receives a low level of Formula Grant and has maintained the lowest Council Tax level in outer London (Band D equivalent, using ONS categories) by having the lowest spend per head of population in London. One of the key issues in future year budgets will be the balance between spending, Council Tax levels, charges and service reductions in an organisation starting from a low spending base. It is important to recognise that a lower cost base reduces the scope to identify efficiency savings compared with a higher cost organisation. Any decisions will need to take into account the longer term impact on the Council's financial position – financial sustainability will be key in order to protect key services to Bromley residents.

Changes that could impact on longer term financial projections

- 3.3 In considering the next four years there remain many variables which will impact on any final outcome. Some examples are highlighted below:
- (a) The Autumn Statement was published on 5th December 2013 and subsequently the Local Government Financial Settlement was provided on 18th December 2013. Key changes include an improved position on the Council's 2014/15 core funding from Government, changes to the arrangements for council tax freeze grant and greater uncertainty about future arrangements for new homes bonus funding. Indicative funding was provided for costs associated with the Care Bill and the arrangements with the Better Care Fund;
 - (b) The Council's tax base has been updated to reflect an increase in properties compared with the previous year;
 - (c) Inflation is at a four year low, using inflation data published in mid-December, which has now been reflected in the latest financial projections;
 - (d) The financial forecast assumed for 2014/15 a significant increase in the cost of freedom passes which partly reflected planned fare rises above inflation. The final outcome results in the costs being less than previously estimated;
 - (e) There have been various other savings identified which include, for example, the impact of recent announcements on levies and a reduced contribution to London Boroughs' Grant Committee;
 - (f) The Government issued a consultation paper in early December which proposes changes to the statutory framework for parking enforcement. The proposals, if implemented, could result in a significant loss of income which needs to be reflected in the provision for risk/uncertainty in the Council's Central Contingency Sum.

Latest Financial Forecast

- 3.4 The report to the Executive in January 2014 identified a budget gap rising to over £52m per annum by 2017/18, which is broken down in the table below. The budget gap from 2016/17 increases more steeply as the expected loss in Government funding is expected to increase sharply during that period.

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Cost Pressures				
Inflation	5.6	11.7	17.3	24.1
Grant loss	7.8	17.6	28.9	43.9
Real changes (Appendix 3, Executive Report)	3.5	6.0	10.9	14.5
Net reduction to reflect top-slice of LACSEG	2.0	1.9	2.2	2.2
	18.9	37.2	59.3	84.7
Income/Savings				
Saving proposals agreed by Executive February 2013	-1.6	-1.6	-1.6	-1.6
Savings to be considered by Executive (Appendix 4, Executive Report)	-5.7	-5.7	-5.7	-5.7
Reduction in provision risk/uncertain items	-1.3	-3.0	-3.0	-3.0
Release of Business Rate Share Income provision for 2013/14 in central contingency	-1.0	-1.0	-1.0	-1.0
Revision to Business Rates Share	-1.0	-1.0	-1.0	-1.0
Increase in property numbers (council tax base)	-0.9	-0.9	-0.9	-0.9
	-11.5	-13.2	-13.2	-13.2
Other Proposed Changes				
Allocation of funding for Public Health & Social Care	-3.7	-3.7	-3.7	-3.7
New Homes Bonus	-5.0	-4.2	-4.4	-4.4
New Homes Bonus - contribution to Economic Development Fund	5.0			
Collection Fund Surplus 2013/14	-3.0			
Set aside as one-off surplus towards meeting funding shortfall in future years	3.0	-3.0		
Other changes	-1.1	-1.2	-1.4	-1.5
	-4.8	-12.1	-9.5	-9.6
Impact of 2% Council Tax increase	-2.5	-4.9	-7.4	-9.8
Remaining "Budget Gap"	0.1	7.0	29.2	52.1

- 3.5 The Council has to continue to plan for a very different future, i.e. several years of strong financial constraint. It is important to recognise that, given the current ongoing period of austerity, the downside risks significantly exceed the opportunities for improvement and that the budget gap in future years could widen substantially.
- 3.6 In considering action required to address the medium term "budget gap", savings for 2014/15 were reported to the Executive as part of the 2013/14 budget process and these have been included in the financial forecast. However, further savings have been identified including the impact of the "baseline reviews".

Growth Pressures & Real Changes

- 3.7 A breakdown of the growth pressures included in the four year forecast for the Environment Portfolio is shown in the table below: -

Growth Pressures and Real Changes	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000
Absorption of inflation increases for PCNs	151	282	412	412
Recent DEFRA changes re street waste disposal	200	200	200	200
Landfill Tax increases	416	739	961	961
Increase in waste contract prices & disposal targets	-64	-169	-191	-191
Increase in refuse/recycling collection costs to reflect additional units	38	76	114	114
Total	741	1,128	1,496	1,496

Saving Options

3.8 A summary of the new savings options relating to the Environment Portfolio is shown in the table below. Appendix 1 includes the draft estimate summary sheet, budget variations, notes on the budget variations and the subjective analysis.

	2014/15 £'000
Saving Proposals agreed by Executive February 2013	
Reduction in parks running costs	6
Re-tender of the management of Norman Park Athletics Track	18
Savings to be considered by Executive	
Efficiency savings	195
	219

4. COMMENTS FROM THE EXECUTIVE DIRECTOR OF ENVIRONMENT AND COMMUNITY SERVICES

4.1 Expenditure pressures and service risks in relation to services in the Environment Portfolio, particularly from unpredictable demand such as waste, parking, highways and winter maintenance, are detailed in Appendix 2.

5. POLICY IMPLICATIONS

5.1 The Council's key priorities are included within the Council's "Building a Better Bromley" statement and include:

- Safer Communities
- A quality environment
- Vibrant, thriving town centres
- Supporting independence, especially of older people
- Ensuring all children and young people have opportunities to achieve their potential
- An Excellent Council

5.2 "Building a Better Bromley" refers to aims/outcomes that include "remaining amongst the lowest Council tax levels in Outer London" and achieving a "sustainable council tax and sound financial strategy".

6. FINANCIAL IMPLICATIONS

6.1 The financial implications are contained within the overall report.

7. LEGAL IMPLICATIONS

7.1 The Local Authorities (Standing Orders)(England) Regulations 2001 deal, amongst other things, with the process of approving the budget. Under these provisions and the constitution, the adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. Sections 73-79 of the Localism Act 2011 has amended the calculations billing and precepting authorities need to make in determining the basic amount of Council tax. The changes include new sections 31 A and 31 B to the Local Government Finance Act 1992 which has modified the way in which a billing authority calculates its budget requirement and basic amount of Council Tax.

8. PERSONNEL IMPLICATIONS

8.1 The Corporate Trade Union and Departmental Representatives' Forum receives regular updates on the Council's finances and the associated policy implications and challenges. Staff and their trade union representatives will be consulted individually and collectively on any adverse staffing implications arising from the budget options. Managers have also been asked to encourage and facilitate staff involvement in budget and service planning

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	Finance Monitoring, Estimate Documents etc all held in Finance Section

Environment**DRAFT REVENUE BUDGET 2014/15 - SUMMARY**

2012/13 Actual	Service Area	2013/14 Budget	Increased costs	Other Changes	2014/15 Draft Budget
£		£	£	£	£
	Customer & Support Services				
Cr 6,470,037	Parking	Cr 6,644,580	Cr 181,930	796,780	Cr 6,029,730
1,358,927	Support Services	1,225,320	7,520	11,860	1,244,700
Cr 5,111,110		Cr 5,419,260	Cr 174,410	808,640	Cr 4,785,030
	Public Protection				
104,344	Emergency Planning	70,780	620	3,470	74,870
104,344		70,780	620	3,470	74,870
	Street Scene & Green Space				
4,406,625	Area Management & Street Cleansing	4,425,890	95,550	Cr 70,630	4,450,810
2,427,322	Highways - SS&GS	2,366,550	59,110	Cr 200,000	2,225,660
Cr 1,812	Markets	1,290	Cr 860	0	430
6,006,768	Parks and Green Space	6,026,400	109,470	Cr 193,990	5,941,880
581,504	Street Regulation	450,560	650	5,790	457,000
16,181,512	Waste Services	16,638,560	409,440	505,600	17,553,600
29,601,919		29,909,250	673,360	46,770	30,629,380
	Transport & Highways				
6,622,609	Highways (Including London Permit Scheme)	6,118,320	143,710	87,060	6,349,090
166,823	Highways Planning	135,000	0	380	135,380
303,151	Traffic & Road Safety	167,330	Cr 2,020	Cr 49,420	115,890
7,092,582		6,420,650	141,690	38,020	6,600,360
0	Efficiency savings to be identified	0	0	Cr 195,000	Cr 195,000
31,687,736		30,981,420	641,260	701,900	32,324,580
7,560,902	TOTAL NON CONTROLLABLE	7,982,740	19,426	Cr 1,616,434	6,385,732
2,321,157	TOTAL EXCLUDED RECHARGES	2,022,030	0	Cr 147,380	1,874,650
41,569,794	PORTFOLIO TOTAL	40,986,190	660,686	Cr 1,061,914	40,584,962

ENVIRONMENT PORTFOLIO

SUMMARY OF BUDGET VARIATIONS 2014/15

Ref		VARIATION IN 2014/15 £'000		ORIGINAL BUDGET 2013/14 £'000
1	2013/14 BUDGET			40,986
2	Increased Costs			657
	Full Year Effect of Allocation of Central Contingency			
3	Impact of 2013/14 Pay Award		83	
4	Net loss of income re closure of Westmoreland Road car park		<u>546</u>	629
	Movements Between Portfolios/Departments			
5	Training Budgets allocations of savings 2013/14	Cr	3	
6	Central Procurement budget for MFD Contract	Cr	4	
7	Transfer of resources from CSC for parking permits		<u>18</u>	11
	Real Changes			
	<i>Savings identified for 2014/15 as part of the 2013/14 Budget process</i>			
8	Reduction in parks running costs	Cr	6	158
9	Re-tender of the management of Norman Park Athletics Track	Cr	<u>18</u>	3,109
	<i>Other Real Changes:</i>			
10	Absorption of inflation increases for PCNs		151	Cr 4,199
11	Landfill Tax increases		416	2,385
12	Increase in waste contract prices and contract disposal targets	Cr	64	8,536
13	Increase in refuse/recycling collection to reflect additional units		38	6,453
14	Detritus & leafing - new legislative change from Defra		<u>200</u>	0
	<i>New Savings Identified for 2014/15 (subject to approval)</i>			
15	Efficiency savings	Cr	<u>195</u>	30,981
16	Variations in Capital Charges	Cr	1,641	7,199
17	Variations in Recharges	Cr	607	1,010
18	Variations in Building Maintenance	Cr	15	659
19	Variation in property services rental income		43	Cr 476
20	2014/15 DRAFT BUDGET		<u>40,585</u>	

ENVIRONMENT PORTFOLIO**Notes on Budget Variations in 2014/15****Ref Comments****Full Year Effect of Allocation of Central Contingency**

- 3 Impact of 2013/14 Pay Award (Dr £83k)
A sum of £83k has been added to the budget relating to the 2013/14 pay award.
- 4 Net loss of income re closure of Westmoreland Road car park (Dr £546k)
As a result of the net loss of income following the closure of Westmoreland Road multi-storey car park in April 2013, a sum of £546k has been allocated from central contingency to the parking budget.

Movements Between Portfolios/Departments

- 5 Training Budgets allocations of savings 2013/14 (Cr £3k)
Full year effect of the reallocation of training budget savings in 2013-14 following the decision not to centralise these budgets. These variations net out to zero across all departments / portfolios.
- 6 Central Procurement budget for MFD Contract (Cr £4k)
Contributions to Central Procurement to reflect additional usage of MFDs. These variations net out to zero across all departments / portfolios.
- 7 Parking permit funding transfer (Dr £18k)
This relates to the transfer of resources for parking permit administration from the Customer Services Centre to Environmental Services.

Real Changes

- 8 Reduction in parks running costs (Cr £6k)
Reduction in parks running expenses such as playground repairs, path and fencing repairs and replacement of equipment and park furniture.
- 9 Norman Park (Cr £18k)
The new contract for the Management of Norman Park athletics track now includes the responsibility of grounds maintenance of the site. This has resulted in a saving of £18k within the grounds maintenance contract.
- 10 Absorption of Inflation increases for PCNs (Dr £151k)
Estimates are prepared on the basis that inflation is added to both income and expenditure. As penalty charge notices (for parking and bus lane contraventions) are set by the Mayor of London and therefore statutory, savings have to be found to absorb the inflation rate.

- 11 Landfill Tax increases (Dr £416k)
This represents the effect of the increase of £8 per tonne of landfill tax and by changes to the contract targets where 0.8% (1,130 tonnes) more of waste will be sent to landfill from 2014/15.
- 12 Increase in waste contract prices and contract disposal targets (Cr £64k)
This represents the change in disposal targets of waste and prices built into the original contract for 2014/15.
- 13 Increase in Refuse/Recycling Collection (Dr £38k)
The current refuse and recycling collection contract is based on the number of premises rather than bins. The additional costs reflect the anticipated increase in new properties for 2014/15 based on historical data.
- 14 Detritus & leafing (Dr £200k)
Following legislative changes, detritus and leafing collected from street cleansing can no longer be composted. The change has meant the council incurs additional disposal costs. This additional cost is based on recent tonnage data and expected tonnages in 2014/15.
- 15 Efficiency savings (Cr £195k)
Efficiency savings and cash limiting of running expenses.
- 16 Variations in Capital Charges (Cr £1,641k)
The variation on capital charges, etc is due to a combination of the following:
- (i) Depreciation – the impact of revaluations or asset disposals in 2012/13 (after the 2013/14 budget was agreed) and in the first half of 2013/14.
 - (ii) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – mainly due to a significant general increase in the value of schemes in our 2014/15 Capital Programme that do not add value to the Council's fixed asset base.
 - (iii) Government Grants – mainly due to a significant increase in credits for capital grants receivable in respect of 2014/15 Capital Programme schemes, which are used to finance expenditure that is treated as REFCUS.
- 17 Variations in Recharges (Cr £607k)
Variations in cross-departmental recharges are offset by corresponding variations elsewhere and therefore have no impact on the overall position.
- 18 Variations in Building Maintenance (Cr £15k)
This relates to the realignment of repairs and maintenance budgets to reflect business priorities. There are corresponding adjustments in other portfolios and these net out to zero in total.
- 19 Variations in Property Services Rental Income (Dr £43k)

This relates to the reallocation of rental income budgets across departments/portfolios. There are corresponding adjustments in other portfolios and these net out to zero in total.

Environment
DRAFT REVENUE BUDGET 2014/15 - SUBJECTIVE SUMMARY

Service area	Employees	Premises	Transport	Supplies and Services	Third Party Payments	Income	Controllable Recharges	Total Controllable	Capital Charges/ Financing	Repairs, Maintenance & Insurance	Property Rental Income	Not Directly Controllable	Recharges In	Total Cost of Service	Recharges Out	Total Net Budget
	£	£	£	£	£	£		£	£				£	£	£	£
Customer & Support Services																
Parking	768,530	818,350	24,770	631,930	2,382,270	Cr 10,702,680	47,100	Cr 6,029,730	630,000	37,750	Cr 43,950	623,800	169,090	Cr 5,236,840	660,150	Cr 4,576,690
Support Services	933,780	223,580	21,040	72,110	0	Cr 5,810	0	1,244,700	59,000	135,840	Cr 58,610	136,230	437,690	Cr 1,818,620	Cr 1,836,130	Cr 17,510
	1,702,310	1,041,930	45,810	704,040	2,382,270	Cr 10,708,490	47,100	Cr 4,785,030	689,000	173,590	Cr 102,560	760,030	606,780	Cr 3,418,220	Cr 1,175,980	Cr 4,594,200
Public Protection																
Emergency Planning	47,040	0	5,420	22,410	0	0	0	74,870	0	0	0	0	65,650	140,520	0	140,520
	47,040	0	5,420	22,410	0	0	0	74,870	0	0	0	0	65,650	140,520	0	140,520
Street Scene & Green Space																
Area Management & Street Cleansing	689,140	50,420	58,750	47,050	3,692,400	Cr 8,950	Cr 78,000	4,450,810	54,000	26,600	0	80,600	917,910	5,449,320	Cr 764,870	4,684,450
Highways - SS&GS	0	0	0	2,593,720	0	Cr 168,060	Cr 200,000	2,225,660	0	0	0	0	1,662,390	3,888,050	0	3,888,050
Markets	34,700	6,150	0	162,910	1,660	Cr 204,990	0	430	0	8,250	0	8,250	115,830	124,510	0	124,510
Parks and Green Space	1,602,860	3,802,280	111,230	593,830	358,550	Cr 365,410	Cr 161,460	5,941,880	297,000	601,510	Cr 323,750	574,760	3,464,040	9,980,680	Cr 3,920,460	6,060,220
Street Regulation	440,130	0	19,390	8,480	0	0	Cr 11,000	457,000	0	0	0	0	65,740	522,740	Cr 574,320	Cr 51,580
Waste Services	671,510	23,690	30,780	269,680	21,312,920	Cr 4,654,980	Cr 100,000	17,553,600	0	0	0	0	662,530	18,216,130	Cr 229,270	17,986,860
	3,438,340	3,882,540	220,150	3,675,670	25,365,530	Cr 5,402,390	Cr 550,460	30,629,380	351,000	636,360	Cr 323,750	663,610	6,888,440	38,181,430	Cr 5,488,920	32,692,510
Transport & Highways																
Highways (Including London Permit Scheme)	933,150	1,518,760	92,210	5,452,190	258,140	Cr 1,921,360	16,000	6,349,090	4,515,000	462,430	Cr 18,330	4,959,100	1,400,650	12,708,840	Cr 756,590	11,952,250
Highways Planning	141,550	0	2,200	4,720	0	Cr 13,090	0	135,380	3,000	0	0	3,000	148,940	287,320	Cr 157,360	129,960
Traffic & Road Safety	1,296,680	0	29,530	50,470	180,450	Cr 371,310	Cr 1,069,930	115,890	0	0	0	0	548,570	664,460	Cr 205,530	458,930
	2,371,380	1,518,760	123,940	5,507,380	438,590	Cr 2,305,760	Cr 1,053,930	6,600,360	4,518,000	462,430	Cr 18,330	4,962,100	2,098,160	13,660,620	Cr 1,119,480	12,541,140
Efficiency savings to be identified	0	0	0	Cr 195,000	0	0	0	Cr 195,000	0	0	0	0	0	Cr 195,000	0	Cr 195,000
	7,559,070	6,443,230	395,320	9,714,500	28,186,390	Cr 18,416,640	Cr 1,557,290	32,324,580	5,558,000	1,272,380	Cr 444,640	6,385,740	9,659,030	48,369,350	Cr 7,784,380	40,584,970

RISK AREAS WITHIN ENVIRONMENT PORTFOLIO FOR 2014/15 ONWARDS**Waste Services****Landfill Tax**

Landfill Tax currently stands at £72 per tonne, and will increase by a further £8 per tonne in 2014/15. The Government has confirmed that this will then become the floor for this tax, but has remained silent on the option of further increases beyond this level. However the decision to remove the Landfill Allowance Trading Scheme from 2012/13, with the justification that Landfill Tax is a more effective method for diverting waste from landfill, suggests that this option may be pursued. The Autumn Statement was silent on the matter, and it is now expected that future rate changes (if any) will be announced in the Budget.

Similarly the Government has not published any plans for introducing an Incineration Tax, but remains unwilling to rule it out. Until recently Waste tonnages were continuing to fall; nationally municipal landfill tonnage fell by 668,000 tonnes between 09/10 and 10/11, reducing government landfill tax income by £32 million. The admission that these declining Landfill Tax returns are an issue for the Treasury suggest that alternative income may yet be sought.

Increasing property numbers

Growth in the number of properties incurs additional expenditure, as extra collections are required and additional waste is generated. Currently each new property attracts a cost of £68 per year for collection (refuse, recycling and food waste), and an average of £78 per year for waste disposal. Each new property thus cumulatively increases costs by about £146 per year. On average, the number of properties in the borough has increased by about 500 each year, and this continues to add pressure to Waste budgets; not only for the collection and disposal of the waste, but also for the provision of recycling containers. At an average cost of £22 (including delivery) to equip a property with recycling containers, this represents an average additional cost of £11,000 each year to the Waste budget.

Municipal Waste Tonnages

After a long period of falling tonnages, the quantity of municipal waste collected in Bromley is expected to increase slightly in 2013/14:

2007/08	163,981
2008/09	157,225
2009/10	149,720
2010/11	144,890
2011/12	139,836
2012/13	138,400
2013/14	139,800 (estimate)

In the first 7 months of 2013/14 tonnages have increased by 1.02%, which suggests waste will increase by 1,400 tonnes over the full year compared to 2012/13. This is partly due to the easing of the recession. Whilst the impact of Recycling for All and local and national waste minimisation campaigns will contribute to restraining increases in waste, there is a substantial risk that tonnages will continue to rise as the economy revives.

The average cost of waste disposal for 2014/15 will be £82 per tonne. Each 1% increase in waste tonnage would increase disposal costs by £120k per annum.

Recycling Income

The fall in overall waste tonnages also impacts on the quantity of recycling materials available for collection.

Paper is sold to Aylesford newsprint at a rate of £67 per tonne. 15,690 tonnes of paper were recycled in 2011/12, and 15,877 tonnes in 2012/13. The projection for the current year is 14,600 tonnes. Each 1% fall in paper tonnage will reduce income by £10k. It appears that recycled paper tonnages are falling across the UK, due to lower sales of printed media. In effect, the influx of tablets, laptops and smartphones is reducing the role of printed newspapers and magazines.

The introduction of more regular paper collection stabilised paper tonnages initially, but further declines in tonnages will have a negative impact on income.

Alternative disposal options

The pricing schedule in the Waste Management Contract specifies a set minimum tonnage each year to be sent for incineration. Patently, Landfill Tax costs mean it would be beneficial to send more of Bromley's waste to incineration. However, with all disposal authorities facing similar pressures current incineration capacity is at a premium. Officers are currently exploring additional incineration capacity, both through Veolia and independently. We are also exploring the opportunity to send some of our waste to MBT or Autoclaving as an alternative disposal point for our landfill waste. Discussions regarding this are taking place with Veolia (Southwark) and Viridor (Croydon), as well as with the Lewisham Council and Kent County Council.

Street Environment Contracts

The Street Environment Contracts were re-let in 2012 and saw expenditure on Street Cleansing services reduce by about £1m per annum. This was a significant reduction (26%) in contract costs, achieved through variations in operational methodology and reductions in the frequency of carriageway and footway cleaning in a number of roads across the borough.

Officers revised the frequency of cleaning based on their experience and operational knowledge of local circumstances across the borough. However it was recognised that, given the significant budget reduction and reductions in the

frequency of cleaning some roads, it might be necessary to review cleaning schedules in the light of any concerns about standards of cleanliness. This could result in a need to change operational methodology and/or the frequency of scheduled cleaning in some areas.

To manage this risk a budget of £200k is held in the street cleaning revenue budget to address any need to provide additional targeted cleans or to revise operational methodology. This budget provides flexibility to add non-scheduled programmes of works (e.g. weekend sweeping, additional litter picking and bin emptying), whilst retaining budget capacity to manage risk. A further £200k is held in Central Contingency should there be a need to increase the frequency of cleaning. At this time there has been no call upon the Central Contingency sum of £200k, suggesting that this risk has diminished since last year.

Street works

LB Bromley has a responsibility under the New Roads & Street Works Act to monitor the works of Statutory Undertakers (SUs) which affect highway infrastructure. When defects are identified in road or footway reinstatements, a defect notice is issued and a charge made on the SU concerned to cover additional inspections.

Income levels have varied during the last five years in line with the performance of utility companies. The quality of works undertaken by Thames Water Utilities (TWU) had deteriorated in recent years, which led to additional income for the Council between 2007/8 and 2010/11. However TWU have been working hard this year to improve their performance, and have introduced new contracts to minimise defective works in the future.

Income from defect notices dropped significantly by £456k in 2010/11 compared to 2009/10, and there were further drops in income of £165k in 2011/12, and £120k in 2012/13. It is estimated that the reduction will be at least £300k in 2014/15.

Winter service

2010/11 and 2011/12 saw a significant increase in expenditure on the winter service, following several years with little or no snow. Budgets have historically been based on patterns of spend for precautionary salting, primarily for frost or ice, with relatively little actual snow clearance. As a result of the protracted snow, ice and sub-zero temperatures during the winter of 2010/11 winter maintenance budgets were overspent by £706k, with extra costs incurred for tree maintenance of £35k as well as for waste collection costs of £77k.

It is unclear at this stage whether this is a permanent shift in weather patterns or a one-off. The Government has commissioned research into this issue. In the meantime there continues to be a significant risk of incurring additional expenditure on winter service.

Highways & Street Lighting Contracts

Street lighting improvement and maintenance contracts have price fluctuation clauses based on actual cost indexing, whereas budget increases are based on the Consumer Price Index. Although the budgets are cash limited, over time the variation between the two will lead to a reduction in spending power in real terms.

Parking

Charges and tariffs for on- and off-street parking places are set by LB Bromley. A fundamental review of the Council's charging policy took place during 2011/12, leading to Member agreement to increase prices and simplify the tariff structure. Members are aware of the potential impact of a further increase in charges in the current economic climate, whilst recognising the pressure on the service to meet its income targets in the light of reduced demand, inflationary pressures and recent VAT increases.

Concerns continue to be expressed about projected shortfalls in parking income generation in Bromley, caused by the recession and the growth of internet retailing. It should be noted that the parking service operates in a restricted legal environment which "does not include the maximisation of revenue from parking charges as one of the relevant considerations to be taken into account in securing the...movement of traffic" (Traffic Management and Parking Guidance for London).

For a number of years there has been a general decline in 'paid for' car parking in the borough. The introduction of new on-street parking schemes and restricted zones has prevented the reduction from being even greater. Although new schemes will continue to be implemented to meet localised traffic and parking needs, there is no reason to suspect that the downward trend will be reversed, particularly in regard to off-street parking. Again this puts greater pressure on the service to meet its financial obligations.

During the period 2007-2010 there was a significant decline in the usage of and income from the multi-storey car parks within Bromley town centre, although usage then stabilised. The closure of Westmoreland Road MSCP in April 2013, with little evidence of cars being displaced to other LB Bromley car parks, has led to a further decline in income. Furthermore, there was a reduction in the average ticket value which demonstrated that the average length of stay in the multi-storey car parks had shortened, resulting in income being further reduced. In the current economic climate it is difficult to make reliable estimates of parking demand in the short to medium term, or forecast the longer term effects of the recession on parking behaviour.

In December 2013, the Government issued a consultation document proposing a number of changes to the statutory framework for parking enforcement. In particular the Government proposes to ban the use of CCTV for parking enforcement, and to impose a statutory waiting period of at least 5 minutes

before enforcement officers can issue penalty tickets. The Government is also considering introducing discounts for motorists whose appeals are rejected, but who subsequently pay promptly. Should these changes be imposed on the Council, it is estimated that Bromley's income from parking fines could reduce by about £1 million p.a.

Pressures from Public Demand

Apart from the identifiable financial pressures arising from such items as budget reductions, contract costs and price increases, there are other pressures due to growing public expectations, social change and legislation. Increased public expectations of local services may be difficult to respond to during a period of tight restraints on resources.

Past surveys of public opinion have shown that four issues were consistently recognised as making Bromley a good place to live. These were low levels of crime, good health services, clean streets and public transport. The Environment and Community Services department leads for the Council on clean streets and on crime issues, particularly enviro-crime and anti-social behaviour; and the department has an input to TfL and others on public transport. There is continued public demand for high service standards in all these areas.

In terms of what needs most improvement in the local area, activities for teenagers, traffic congestion, road and pavement repairs, the level of crime and clean streets were regularly mentioned by residents. All of these service areas are either the lead responsibility of the Environment and Community Services department (clean streets, road & pavement repairs) or ones to which the department makes a significant contribution.

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Agenda Item 9

Report No.
ES14002

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Environment PDS Committee

Date: 29th January 2014

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **FORWARD WORK PROGRAMME, MATTERS ARISING FROM PREVIOUS MEETINGS, AND CONTRACTS REGISTER**

Contact Officer: Gavin Moore, Assistant Director Parking & Customer Services
Tel: 020 8313 4539 E-mail: gavin.moore@bromley.gov.uk

Chief Officer: Nigel Davies, Executive Director of Environment and Community Services

Ward: Borough Wide

1. Reason for report

Members are asked to review the Committee's draft work programme for 2013/14 and to consider:

- progress on requests from previous meetings of the Committee; and
 - the contracts summary for the Environment Portfolio
-

2. **RECOMMENDATIONS**

2.1 **That the Committee:**

- Review the draft work programme attached as Appendix 1;**
- Review the progress report related to previous Committee requests as set out in Appendix 2; and**
- Note the Environment Portfolio contracts listed in Appendix 3.**

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality Environment
-

Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Environment Portfolio 2013/14 approved budget
 4. Total current budget for this head: £32.2m and £6.3m of LIP funding from TfL.
 5. Source of funding: 2013/14 revenue budget and 2013/14 LIP funding agreed by TfL
-

Staff

1. Number of staff (current and additional): 197.4 fte
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Whole borough
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

Forward Programme

- 3.1. The table in **Appendix 1** sets out the Environment Forward Programme for 2013/14, as far as it is known. The Environment Forward Programme indicates which division is providing the lead author for each report. The Committee is invited to comment on the schedule and propose any changes it considers appropriate.
- 3.2 Other reports may come into the programme. Schemes may be brought forward or there may be references from other Committees, the Portfolio Holder or the Executive.

Previous Requests by the Committee

- 3.3 The regular progress report on requests previously made by the Committee is given at **Appendix 2**. This list is rigorously checked after each Committee meeting so that outstanding issues can be addressed at an early stage.

Contracts Register

- 3.4 Information extracted from the current Contracts Register, in a format which addresses the responsibilities of the Environment Portfolio, is attached as **Appendix 3**. Future contracts are marked in *italics*. The final column of the appendix provides additional background information including (where known) the date when contract approval, or approval for an extension, will be sought.
- 3.5 Additional information is now included in this summary:
- Contract Register numbers are included
 - Waivers for additional extensions are explicitly included
 - Financial information covers both the original core contract period and any agreed extensions

4. POLICY IMPLICATIONS

- 4.1 Each PDS Committee is responsible for setting its own work programme.

Non-Applicable Sections:	Financial, Legal and Personnel
Background Documents: (Access via Contact Officer)	Environment PDS agendas and minutes for the years 2006/07 to 2013/14 http://sharepoint.bromley.gov.uk/default.aspx

APPENDIX 1

ENVIRONMENT PDS COMMITTEE FORWARD PROGRAMME FOR MEETINGS 2013/14

Environment PDS – 25 Mar 2014		
Forward Work Programme, Matters Arising from Previous Meetings and Contracts Register	P&CS	PDS Committee
Budget Monitoring 2013/14	Finance	For pre-decision scrutiny
On-Street Litter Enforcement	SSGS	For pre-decision scrutiny
Environment Portfolio Plan 2014/15	P&CS	For pre-decision scrutiny
Casualty Reduction Scheme – Tudor Way / Petts Wood Road	T&H	For pre-decision scrutiny
Parking – Review of Outsourcing	P&CS	For pre-decision scrutiny
Station Access Programme: Identification of Projects	T&H	For pre-decision scrutiny

APPENDIX 2

Progress Report on Previous Requests of the Committee

PDS Cttee. Date	Committee Request	Progress
1.10.13.	Review Streetworks procedures concerning reactive work where there are potential emergency planning implications.	Results of the review have been provided to Members on a briefing note.
1.10.13.	The outcome of consultation on the Heathfield Road/Westerham Road scheme should be reported back to the Committee in view of the wider interests across the area.	The results of the consultation will be reported to Environment PDS Committee in June 2014.
19.11.13.	Appendix 3 contract information to be checked for: number of extensions; and total contract value	All information has been checked for accuracy, and this will be maintained
19.11.13.	Street cleansing January 2014 report to include information on the Shortlands Linkage pilot	Included in the report on this Committee's agenda.
19.11.13.	Review presentation of the Summary attached to regular Budget Monitoring reports, to focus on changes in estimated variations	The presentation of financial information in the report has been reviewed by Finance.

Contracts Register Summary

Appendix 3

Contract (Register No.)	Start Date	End Date	Extension / Waiver	Contractor	£ Original Contract Value + Extension	Projected 2013/14 Spend (£)	Environment PDS Notes
Playground Maintenance (016235)	01.01.08	31.12.13	31.12.14 under negotiation	Safeplay	369,300 + 74,640	74,640	Extension (6+2+2 to December 2017) but now negotiating one year extension only
Transportation Consultancy (029130)	30.05.11	30.11.13	1 year ext. to 30.11.14 agreed ES13124	AECOM (via TfL Framework)	750,000 + 300,000	300,000	TfL currently in procurement to replace these arrangements
Parking Bailiff Services (035369)	1.10.11	31.03.13	Ext. to 31.03.14	JBW, Swift, Chandlers, Phoenix	625,000 + 250,000 est. income	250,000 est. income	
<i>Parking Bailiff Services</i>	<i>1.04.14</i>	<i>31.03.17</i>	<i>n/a</i>		<i>750k est.</i>	<i>250k est.</i>	<i>Environment PDS – 29 Jan 2014 (ES14016)</i>
Hanging Baskets Contract A&B (049064)	30.05.11	30.04.13	Waiver for one year ext. to 30.04.14	CJS Plants Ltd	124,657	40,657	Consolidating this and four other contracts into 'Grounds Maintenance: Other Contracts'
Rural Grass Cutting	30.05.11	29.05.14	n/a	Earth Matters, DMC Landscapes, Landmark Services	142,000	47,000	Original two year contract extended for a further year
Removal of Abandoned Vehicles (030100)	01.10.10	30.09.13	One year extension to 30.09.14	Pick a Part	33,800 + 10,600	10,600	
Council Fleet Hire (11551)	05.11.06	04.11.12	Extended to 04.11.13 Waiver to extend to 04.11.14.	London Hire	651,064 + 166,380	81,380	Extension to Nov. 2013 agreed (with reduced number of vehicles). Waiver agreed to Nov. 2014 to facilitate passenger fleet option analysis.
Ambulance Hire (016278)	05.11.07	04.11.13	One year extension to 04.11.14	London Hire	2.254m + 292,866	292,866	Option to extend for up to two years. Member agreement to extend for one year to Nov. 2014. No. of vehicles reduced.
Depot Security (030099)	01.04.10	31.03.15	n/a	Sight and Sound	625,000	130,000	
Street Works (NRSWA)	01.04.13	31.03.16		B&J Enterprises of Kent	871,920	290,640	Contract includes option to extend for 2 or 4 years

Contract (Register No.)	Start Date	End Date	Extension / Waiver	Contractor	£ Original Contract Value + Extension	Projected 2013/14 Spend (£)	Environment PDS Notes
Parking (11528)	01.10.06	30.09.11	5 year extension granted to 30.09.16	Vinci Park	23.2m	2.52m	School Crossing patrols still part of contract but funded by 33 schools & TfL (~£170,000)
Parking ICT	01.04.13	30.09.16	n/a (option exists for one year extension)	ICES Ltd.	238,000	68,000	Shared ICT service with LB Bexley (costs shown are Bromley only). Costs vary with number of PCNs issued
Street Environment Contract (037024) (037023) (037025) (037022)	29.03.12	28.03.17	n/a	Kier (public toilets); Community Clean (graffiti removal); Veolia (Gully cleansing); Kier (Street Cleansing)	281,983 1,221,800 1,463,538 15,798,212	56,397 244,360 257,710 3,151,400	Five year contract with the option of a two year extension.
Maintenance & Repair of Vehicles (0247370)	01.04.10	31.03.17	n/a	Kent CC	938,000	114,720	2013/14 spend reduced due to decline in no. of vehicles in use
CCTV Repair & Maintenance (047309)	01.04.12	31.03.17	n/a	Eurovia Infrastructure Services Ltd	214,256	132,110	Original Contract Value only covered repair service. 2013/14 spend also includes materials
CCTV Control Room Monitoring (047309)	01.04.12	31.03.17	n/a	OCS Ltd	1,263,258	256,150	Costs vary each year, but total costs cannot exceed Contract Value agreed when contract was let
Highway Maintenance – Minor & Reactive (025400)	01.07.10	30.06.17	n/a	O'Rourke	17m	2,853,880	Budget increases with BCIS construction indices. Contract is subject to external funding.
Arboriculture (016267)	18.07.08	17.07.17		Gristwood and Toms	5.12m	490,460	Reduced annual spend due to reduction in service provision
Coney Hill Landfill Site Monitoring (030220)	28.07.10	27.07.17		Enitial	969,500	132,390	Projected 2013/14 underspend of £20k reported in budget monitoring (30.09.2013)
Highway Maintenance – Major (025399)	01.10.10	30.09.17		FM Conway	26m	4,416,350	Budget increases with BCIS construction indices. Contract is subject to external funding.
Grounds Maintenance (11545)	01.01.08	31.12.17		Landscape Group	26.1m	2,789,280	Under review along with other related contracts.
Waste Collection	01.11.01	31.03.19	First extension	Veolia	37.3m. + 64.6m +	8.5m	First extension (2007) to align with Disposal

Contract (Register No.)	Start Date	End Date	Extension / Waiver	Contractor	£ Original Contract Value + Extension	Projected 2013/14 Spend (£)	Environment PDS Notes
(11525)			to 2016. Second extension to 2019.		26.1m		contract (ELS07130). Second extension (2011) to take advantage of service efficiencies.
Waste Disposal (11526)	24.02.02	31.03.19	Extended to March 2019	Veolia	160.5m + 27.5m	10.9m	Contract extended (2011) to take advantage of service efficiencies.
Parks Security (025902)	01.04.10	31.03.20		Ward Security	4.13m	470,000	
Street Lighting Maintenance & Improvements (049757)	01.04.13	31.03.23	Option for 1 year extension	May Gurney (Cartledge)	8.45m + 8m over two years (invest to save)	845k (+3.3m invest to save)	Annual contract value of £845k, plus £8m over two years via Invest to Save programme