

Environmental Services Portfolio Budget Monitoring Summary

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
(5,610)	Customer & Support Services	(6,697)	(6,754)	(6,508)	246	1 - 4	290	180
1,932	Parking	1,402	1,374	1,374	0		0	0
	Support Services							
(3,678)		(5,295)	(5,380)	(5,134)	246		290	180
101	Public Protection - ES	113	113	113	0		0	0
	Emergency Planning							
101		113	113	113	0		0	0
5,904	Street Scene & Green Space	4,535	4,457	4,457	0	5	0	0
2,454	Area Management/Street Cleansing	2,385	2,385	2,385	0	6	0	0
(18)	Highways	(29)	(29)	(29)	0		0	0
6,057	Markets	6,042	6,130	6,130	0		0	0
567	Parks and Green Space	628	577	577	0		0	0
16,549	Street Regulation	16,254	16,454	16,164	(290)	7	(290)	(180)
	Waste Services							
31,513		29,815	29,974	29,684	(290)		(290)	(180)
6,613	Transport & Highways	6,188	6,470	6,360	(110)	8	(250)	0
161	Highways incl London Permit Scheme	142	167	167	0		0	0
866	Highways Planning	346	311	311	0		0	0
	Traffic & Road Safety							
7,640		6,676	6,948	6,838	(110)		(250)	0
35,576	TOTAL CONTROLLABLE	31,309	31,655	31,501	(154)		(250)	0
7,652	TOTAL NON-CONTROLLABLE	6,937	7,159	7,155	(14)	9	-5	0
2,614	TOTAL EXCLUDED RECHARGES	2,103	2,228	2,228	0		0	0
45,842	PORTFOLIO TOTAL	40,349	41,042	40,884	(168)		(255)	0

Reconciliation of latest approved budget

£'000

Original budget 2012/13

40,349

Repairs and Maintenance	167
Supplementary estimate for implementation of Flooding and Water Act	220
Allocation from Contingency Inbucon Pay Awards	7
Carry forward re Garden Waste Trial	161
Carry forward re Parks & Green Space - Keston Ponds	20
Carry forward re Parks & Green Space - Playground works	67
Rental Income - Budget Adjustments (already actioned by KT)	60
Property Services Rental Income	(4)
Fibre Optic Cable Chartwell transfer from ES to Resources	(5)

Latest Approved Budget for 2012/13

41,042

Environmental Services Department - Budget Monitoring Notes - 30 November 2012

1. Income from bus lane contraventions Cr £110k

An increase in bus lane contraventions has meant that income is above estimated levels by £116k offset by £6k less income received for tickets issued in 2011/12 than expected. The net effect is a surplus of £110k.

2. Off Street Car Parking Dr £233k

The parking charges income budget assumed that the new charges would be in place for the full financial year 2012-13 but these came into effect in late April 2012, as advised in the increase in charges report. The impact of this slight delay is around Dr £20k.

Using the data available from the seven months following the increase, off-street car parking income is projected to be £270k below budget expectation, although this could be as high as £340k. Within this variation, around £100k relates to the four multi-storey car parks, and £170k other surface car parks. The income will continue to be closely monitored and any major variances reported to Members.

The projected income deficit is partly being offset by savings from management action of £57k from reducing running expenses, including contract costs.

3. On Street Car Parking Dr £200k

Income shortfall in April was £40k as the fees were introduced at the end of the month. After analysing the data to 30th November 2012, it is clear that income is well below expected levels in the Bromley town centre, Beckenham and Orpington. Overall a shortfall in income of £270k is projected, although this could be as high as £300k.

Management action has been taken to freeze the equipment replacement budget of £70k on the assumption that, following the introduction of mobile phone parking, the programme of recycling surplus pay and display machines is continued.

The full year effect of the deficit currently projected for parking will be balanced by a combination of additional income generated from the extra parking capacity being provided within Bromley Town Centre following the closure of Westmoreland Road Car Park, and the balance will be funded from the underspend within waste management.

4. Car Parking Enforcement Cr £77k

There is a projected net surplus of £153k from PCNs issued by Vinci due to an increase in contraventions. As a result of a range of performance indicators being met, there is a performance payment due to the contractor of around £50k.

There is a projected net surplus of £8k for mobile and static cameras. There have been reduced contraventions in 2012/13, however a slight increase in income expected from previous years. Contraventions have begun to increase over the last couple of months which could improve the overall position if the trend continues.

There is a projected overspend within staffing budgets of £29k and £5k on Credit Card Commission.

Summary of variations within Parking:**£'000**

Bus Routes Enforcement	(110)
Off Street Car Parking	290
On Street Car Parking	270
Deficit in income from CCTV parking contraventions	7
Net additional income from other parking contraventions	(118)
Savings resulting from management action	(127)
Overspend within Enforcement staffing costs	29
Increased credit card commission costs	5
Total variation for parking	246

5. Area Management & Street Cleansing £0k

There is a projected overspend within employee costs of £13k. This is a result of delays in implementing the Street Scene & Green Space review of back-office functions.

There is also a projected net overspend within premises costs of £19k, and toilet cleaning contract payments of £13k, as a result of delays in the planned closure of public conveniences. These overspends are being met by underspends within graffiti removal of £45k.

6. Highways - SS&GS £0k

Although no overall variation is being projected, it is anticipated that there will be an underspend of around £43k on gully cleansing, and £5k on soakaways which form part of the Street Cleansing contract. Whilst the contractor has carried out the first year of the contract with new cyclic programme of works, the volume of drainage investigatory works has been lower than forecast.

This projected underspend is being used to finance additional minor repairs and potholes as a result of root upheaval of paving stones and tarmac.

7. Waste Management Cr £290k

There is currently a total projected underspend within waste disposal tonnages of £153k. £122k has arisen from 1,580 lower tonnes than budgeted between April and November, with a further projected underspend of £31k relating to a variation of 400tonnes projected for the rest of 2012-13.

Within the total projected variation of 2,000 tonnes, approximately 1,000 tonnes relates to decreased activity from builders and other tradesmen bringing waste to the depots. This has resulted in a projected underspend of £77k, which partly offsets the income shortfall described below.

A deficit of £150k is being projected for trade waste delivered income due to reduced activity as described above. The bad weather in this period, especially during April and May, may have had an impact and it has been hoped that this activity would pick up later in the year. So far, this appears not to have happened, hence the deficit continues to be projected. The projected net deficit relating to this service is therefore £73k.

Within trade waste collection income, there is a projected surplus of £150k. Prices were increased by 17% from 1st April 2012 and expectation was built into the 2012-13 for a dropout of 11% of customers. However, it would appear that the actual net loss of total customers has only been around 3.5%, resulting in the projected surplus income.

As a result of a reduced dropout of customers than budgeted, there are increased costs within the collection contract of approximately £25k. These are offset by various underspends across other aspects of the collection contract, resulting in a net collection contract underspend of £107k.

There is a small projected underspend within staffing of £8k.

Due to legislative changes, detritus collected from street cleansing can no longer be composted. Veolia have offered to dispose of this tonnage estimated to be 1,700 tonnes per annum at a price of £73 per tonne instead of landfilling it at a cost of £122. This tonnage used to be disposed of by composting at a cost of £43 per tonne. The change in legislation has meant that the Council has to incur additional annual disposal costs of approximately £51k.

A provision of £73k that is no longer required has been released.

Summary of variations within Waste Management	£'000
Decrease in waste disposal tonnage	(76)
Reduction in disposal tonnage as a direct result of a decrease in trade waste delivered customers	(77)
Shortfall of income due to drop in customers delivering trade waste to depots	150
Additional income from trade waste collections	(150)
Underspend within staffing	(8)
Extra cost of disposing of detritus	51
Release of provision balance	(73)
Underspend within collection contract	(107)
	<u>(290)</u>

8. Highways including London Permit Scheme Cr £110k

There is a projected underspend within the Street lighting electricity budget of £110k. This is largely the result of receiving unexpected rebates and credits of £80k.

The projected underspend has fallen from the last reported projected underspend of £250k, due to unit price rises in October of around 40% (whereas previously an increase of around 18% had been anticipated).

9. Non-controllable budgets Cr £14k

For information here, the variation relates to a net surplus within property rental income budgets across the division. Property department are accountable for these variations.

Analysis of Members' Initiatives - Earmarked Reserves @ 30.11.2012

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	0	419	419	331	£419k orders placed to date.
Support for Friends Groups	SS&GS - Parks & Green Space	Louise Simpson	250	0	0	0	250	Plans already underway, but no orders placed yet.
Renewal / Replacement of Community Recycling Sites	SS&GS - Waste	John Woodruff	150	0	0	0	150	Plans already underway, but no orders placed yet.
TOTAL			1,150	0	419	419	731	