

Environment Portfolio Budget Monitoring Summary as at 30.09.2014

2013/14 Actuals £'000	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	Customer & Support Services							
Cr 6,461	Parking	Cr 6,036	Cr 6,036	Cr 6,205	Cr 169	1-4	Cr 73	0
1,247	Support Services	1,198	1,198	1,133	Cr 65	5	0	0
Cr 5,214		Cr 4,838	Cr 4,838	Cr 5,072	Cr 234		Cr 73	0
	Public Protection							
76	Emergency Planning	75	75	75	0		0	0
76		75	75	75	0		0	0
	Street Scene & Green Space							
4,135	Area Management/Street Cleansing	4,079	4,079	4,099	20	6	20	0
2,540	Highways	2,535	2,535	2,484	Cr 51	7	Cr 20	0
Cr 18	Markets	1	1	9	Cr 10	8	0	0
5,775	Parks and Green Space	5,898	5,952	5,888	Cr 64	9	0	0
481	Street Regulation	461	461	461	0		0	0
17,085	Waste Services	17,570	17,570	17,932	362	10	280	743
29,998		30,544	30,598	30,855	257		280	743
	Transport & Highways							
6,436	Highways incl London Permit Scheme	6,611	6,861	6,838	Cr 23	11	0	0
129	Highways Planning	136	136	136	0		0	0
177	Traffic & Road Safety	171	171	171	0		0	0
6,742		6,918	7,168	7,145	Cr 23		0	0
	TOTAL CONTROLLABLE	32,699	33,003	33,003	0		207	743
7,391	TOTAL NON-CONTROLLABLE	6,386	6,481	6,462	Cr 19	12	Cr 19	0
2,035	TOTAL EXCLUDED RECHARGES	2,095	2,109	2,109	0			0
41,028	PORTFOLIO TOTAL	41,180	41,593	41,574	Cr 19		188	743

Reconciliation of Latest Approved Budget

£'000

Original budget 2014/15

41,180

Keston Ponds Dam carry-forward from 2013/14

65

Lead Local Flood Authorities

250

Increase in annual insurance premiums

98

Latest Approved Budget for 2014/15

41,593

REASONS FOR VARIATIONS**1. Income from Bus Lane Contraventions Dr £65k**

Due to a combination of greater compliance and the impact from the works at Bromley North which has resulted in some areas becoming unenforceable from April, a deficit of income of £65k is projected. It should be noted that not all the activity reports were available for September 2014 data from the new parking ICT system. It is expected that the reports will be available in November to carry out a more detailed analysis.

2. Off Street Car Parking Cr £64k

Overall a surplus of £90k is projected for off street parking. There is a projected surplus of Cr £42k from Village Way multi-storey car park. Additional income of Cr £48k is projected from surface car parks: major variations are at Beckenham Leisure Centre Cr £17k relating to one-off permit income, Station Road Bromley Cr £10k, Fairfield Road, Beckenham Cr £14k, and Chislehurst and Hayes Cr £15k.

Summary of variations within Off Street Car Parking

	£'000
Off Street Car Parking income - multi-storey car parks	Cr 42
Off Street Car Parking income - other surface car parks	Cr 48
Total variations within Off Street Parking	Cr 90

3. On Street Car Parking Cr £130k

An overall surplus of £80k is projected for on street parking income. Major variations are within Bromley Town Centre with a net surplus of Cr £18k, a net surplus of Cr £16k from Petts Wood, Cr £20k from Orpington, and Cr £26k from Shortlands and other areas.

Management action is being taken to freeze the equipment budget of £50k to offset budget pressures across the other areas of the portfolio.

Summary of variations within On Street Car Parking

	£'000
Income from Bromley Town Centre	Cr 18
Income from Petts Wood, Orpington & other areas	Cr 62
Management action - equipment budget	Cr 50
Total variations within On Street Car Parking	Cr 130

4. Car Parking Enforcement Cr £14k

Based on activity levels up to September 2014, there is a projected net surplus of £56k from PCNs issued by Vinci in the current year due to an increase in contraventions. Additional income is also projected for PCN contraventions in 2013/14 totalling Cr £10k. It should be noted that not all the activity reports for September 2014 were available from the new parking ICT system. It is expected that the reports will be available in November to carry out a more detailed analysis.

A net deficit of Dr £55k is projected for mobile and static cameras due to the works being undertaken in Bromley North which has led to areas becoming unenforceable from April to September 2014. This is partly offset by extra income received for tickets issued in 2013/14 of Cr £3k. Please note the comments above on the activity reports. It is expected that a more detailed analysis will be carried out in November.

Summary of variations within Car Parking Enforcement

	£'000
PCNs issued by wardens	Cr 66
PCNs issued by mobile & static cameras	52
Total variations within Car Parking Enforcement	Cr 14

Summary of overall variations within Parking:

	£'000
Bus Routes Enforcement	65
Off Street Car Parking income	Cr 90
On Street Car Parking income	Cr 80
Management action - on street equipment budget	Cr 50
Car Parking Enforcement	Cr 14
Total variation for Parking	Cr 169

5. Support Services Cr £65k

There is a projected net underspend within staffing of £25k as a result of not replacing the recently departed Assistant Director of Customer & Support Services. Additionally there is an underspend of £40k within Depot premises budgets, due to a one-off business rates rebate from 2013-14.

6. Area Management & Street Cleansing Dr £20k

Within the FPN littering offence scheme there is a deficit of £20k, relating to the period to 31st August 2014. This has arisen due to a combination of lower than anticipated income recovery rates, as well as fewer tickets issued than expected in recent months, and therefore costs exceed income collected. Following renegotiation of contract arrangements, the scheme is expected to be cost neutral to the end of the financial year as any cost to income deficits will be covered by the contractor.

7. Highways SSGS Cr £51k

There is a net projected underspend within staffing budgets including car allowances, of £17k due to the part-year effect of a vacant post.

A surplus of income is projected from skip licences of £20k. This is due to a combination of a general upturn within the economy, as well as improved management systems and processes within the SSGS division. A small surplus of income is also projected from street traders' licences of £5k, giving a net surplus of £25k for the service. This is being used to contribute towards deficits within the Street Scene and Green Space division.

Other miscellaneous income of Cr £9k has been transferred from the deposits register relating to highways works undertaken. The net projected variation for Highways SSGS is an underspend of £51k.

Summary of variations within Highways SSGS

	£'000
Underspend within staffing, car allowances & leased cars	Cr 17
Surplus income - skip licences & street trader licences	Cr 25
Miscellaneous income	Cr 9
Total variation for Highways SSGS	Cr 51

8. Markets Cr £10k

Projected income surplus of £10k, due to higher customer activity than previously anticipated.

9. Parks & Green Space Cr £64k

Within staffing budgets there is a projected net underspend of £20k. This is largely due to vacancies within the Grounds Maintenance team.

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

Management action has been taken to withhold £35k of expenditure within the parks budget to balance the overall portfolio budget. Therefore the net projected variation for Parks & Green Space is an underspend of £64k.

10. Waste Services Dr £362k

There is currently projected to be a net overspend within waste disposal tonnages, excluding garden waste, of £179k. Actual tonnage is 450 tonnes above budget for the first six months of the year, and 1,380 tonnes above the same period in 2013-14. It is currently anticipated that there will be a year-end variation of 985 tonnes, resulting in an overspend of £179k. £60k of this variation relates directly to the extra disposal tonnage generated by the increase in trade waste delivered activity as reflected in the extra income projected. The balance of £119k is the net effect of the growth in residual household tonnage and the reduction in recycled paper tonnage.

In addition to the increase in residual disposal tonnage from households, the green garden waste tonnage is 1,514 higher for the first 6 months of the year when compared to the same period last year. The pattern of increased tonnages is expected to continue, and a year end variation of 2,500 tonnes is projected, resulting in an overspend of £113k.

The green garden waste collection service is projected to be underspent by £92k by the year end. This is due to a number of factors; Staffing and running expenses are expected to be £42k lower than budgeted and the fourth vehicle has only been required intermittently providing a saving of £45k. There is a projected net overachievement of income of £5k, which incorporates the continued sale of green garden waste stickers.

There is a projected deficit from paper recycling income of £150k due to reduced tonnages currently being collected from households. Paper tonnages have been reducing for the last two years, and it is likely that this trend will continue into future years.

There is currently a projected deficit within income from trade waste collections of £90k. This has arisen where around 4% of commercial customers have withdrawn from the services since April 2014.

Within trade waste delivered income, there is a projected surplus of £60k, resulting from higher activity than budgeted. This offsets the disposal costs of the additional tonnage generated.

There are other projected net variations across the service of Cr £18k. This is a combination of an underspend across the collection contract of Cr £22k and a minor net income deficit of Dr £4k.

Summary of variations within Waste Services

	£'000
Waste disposal tonnages	292
Underspend from green garden waste collection scheme	Cr 92
Paper recycling income	150
Trade waste collection income	90
Trade waste delivered income	Cr 60
Other net variations	Cr 18
Total variation for Waste Services	<u>362</u>

11. Highways (incl London Permit Scheme) Cr 23k

There is a projected underspend on salaries of £35k resulting from part-year vacant posts.

Within NRSWA income, there is a net projected deficit of £50k. This largely relates to income from defect notices where in recent months the value of invoices raised has fallen below previous expectations. Management action is being taken across the service to freeze non-essential expenditure to the value of £15k, to ensure a balanced portfolio budget.

Other miscellaneous income of Cr £23k has been transferred from the deposits register relating to highways works undertaken.

Summary of variations within Highways (incl London Permit Scheme)

	£'000
Underspend within staffing	Cr 35
NRSWA income deficit	50
Management action on non-essential expenditure	Cr 15
Miscellaneous income from deposit register	Cr 23
Total variation for Highways	<u>Cr 23</u>

12.Non-controllable budgets Cr £19k

For information here, the variation relates to a net surplus 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 from 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. No waivers over £50k have been approved since the last report to the Executive.

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.