

2015/16 Actuals £'000	Service Areas	2016/17 Original Budget £'000	2016/17 Latest Approved £'000	2016/17 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT PORTFOLIO							
	Street Scene & Green Spaces							
5,445	Parks and Green Spaces	5,109	5,091	5,186	95	1	70	0
417	Street Regulation and Enforcement incl markets	386	364	244	Cr 120	2	Cr 35	0
17,599	Waste Services	17,206	17,506	17,008	Cr 498	3	7	0
3,891	Street Environment	4,181	4,181	4,232	51	4	0	0
808	Management and Contract Support	781	781	810	29	5	0	0
629	Transport Operations and Depot Management	811	710	644	Cr 66	6	Cr 33	0
280	Trees	683	723	813	90	7	0	0
29,069		29,157	29,356	28,937	Cr 419		9	
	Parking Services							
Cr 7,455	Parking	Cr 7,041	Cr 7,081	Cr 7,413	Cr 332	8-13	Cr 271	0
Cr 7,455		Cr 7,041	Cr 7,081	Cr 7,413	Cr 332		Cr 271	0
	Transport & Highways							
112	Traffic & Road Safety	284	284	256	Cr 28	14	0	0
10,035	Highways (including London Permit Scheme)	8,803	9,056	9,013	Cr 43	15	34	0
10,147		9,087	9,340	9,269	Cr 71		34	0
31,761	TOTAL CONTROLLABLE	31,203	31,615	30,793	Cr 822		Cr 228	0
8,075	TOTAL NON-CONTROLLABLE	5,299	5,434	5,269	Cr 165	16	Cr 66	0
2,429	TOTAL EXCLUDED RECHARGES	2,041	2,041	2,041	0		0	0
42,265	PORTFOLIO TOTAL	38,543	39,090	38,103	Cr 987		Cr 294	0

Reconciliation of Latest Approved Budget **£'000**

Original Budget 2016/17	38,543
Transfer of budget for staffing back to SEN - Education S/E 884.	Cr 20
WEEE Grant Income	Cr 13
WEEE Grant Expenditure	13
Drainage Water Grant Income	Cr 69
Drainage Water Grant Expenditure	69
Lead Local Flood grant	213
Repairs and Maintenance	135
Salary budget for mail delivery to corporate for TFM contract	Cr 34
Transfer of budget for SEN transport client monitoring staff to Education	Cr 47
Contribution from central contingency for Waste 4 Fuel site clearance costs	300
Latest Approved Budget for 2016/17	<u>39,090</u>

REASONS FOR VARIATIONS**1. Parks and Green Spaces Dr £95k**

Additional costs of Dr £45k have been incurred to repair and replace safety surfaces at various playgrounds and Dr £7k has been spent on painting playground equipment. These costs have been funded by projected underspends elsewhere in Street Scene and Greenspace. There is also a projected overspend of Dr £61k for a deed of surrender for the lease of Crystal Palace Park café which is partly offset by tenants income Cr £15k and other minor variations of Cr £3k. The total variation for Parks is Dr £95k.

Summary of variations - Parks & Green Spaces	£'000
Safety surface repairs for Playgrounds	45
Playground equipment painting	7
Deed of surrender for Crystal Palace Park café lease	61
Tenants income from CPP Café	Cr 15
Other minor variations	Cr 3
Total variation for Parks & Green Spaces	<u>95</u>

2. Street Regulation and Enforcement incl markets Cr £120k

There is projected surplus income of Cr £10k due to the recovery of administration costs dealing with claims for repairs to street furniture damaged by car accidents and Cr £20k for income relating to rental of space for promotions within Bromley Town Centre. Net additional income of Cr £60k is expected for markets and surplus income of Cr £20k is projected for Street Trading Licences due to additional street traders being taken on, and specialist markets being run. An increased demand for skip Licences has led to extra income Cr £10k above budget. This projected underspend is partly offset by additional costs within the Street Environment budget as detailed below.

Summary of variations - Street Regulation & Enforcement incl markets	£'000
Recovery of administration costs for dealing with claims re damage to street furniture	Cr 10
Income from rental of space for promotions	Cr 20
Income from market stalls (net additional)	Cr 60
Income from street trading licences	Cr 20
Income from skip licences	Cr 10
Total variation for Street Regulation & Enforcement incl markets	<u>Cr 120</u>

3. Waste Services Cr £498k

Disposal tonnages from increased trade waste delivered activity are projected to be around 1,200 tonnes above budget resulting in an overspend of Dr £170k. For information, there has been an additional 800 tonnes at the weighbridges for the first nine months of the year compared to the same period in 2015-16.

As a direct consequence of the extra tonnage described above, the projected additional income within trade waste delivered is Cr £170k to offset the disposal overspend from weighbridge tonnage.

Green Garden Waste disposal tonnage is projected to generate an overspend of around £74k. Tonnage is up on 2015/16 by 1,900 tonnes to December 2016 and is projected to be up by a total of 2,200 for the full financial year.

For other residual tonnage, there is a projected underspend of Cr £94k.

Within paper recycling income, there is a projected surplus of Cr £66k as tonnage is expected to be about 990 tonnes above budget.

The projected reduction in detritus tonnage has resulted in a potential underspend of £49k for disposal costs.

Across the garden waste collection services, there is a projected underspend of Cr £167k. This is made up of a projected overspend of Dr £85k for containers and a new tagging system. The fifth vehicle has not been used as much as anticipated and there is an underspend of Cr £51k projected. Sales of green garden waste stickers have not dropped off as much as in previous years and additional income of Cr £19k is expected and there is a net increase in the number of wheelie bin customers in 2016/17 resulting in extra income of Cr £182 being forecast. The Executive will be asked to carry forward this underspend to contribute towards the development costs of the debt management system which will enable payments to be made by direct debits.

The Coney Hill contract is expected to underspend by Cr £27k.

There is an underspend of Cr £59k for the waste collection contract. This is made up of Cr £18k relating to a decrease in the number of special collections and there is an underspend of Cr £40k for emptying recycling banks and flytipping costs.

There are outstanding defaults of £200k for the waste collection contract.

There is a projected overspend of £64k for waste containers. This is partly due to improvements to the on street recycling network in order to increase capacity and to meet the growth in demand for household recycling and bulk containers.

Other minor variations across income and operational expenses are projected to be Dr £11k.

Income from recycling metals is expected to be below budget by Dr £15k mainly due to the reduction in the market price.

Summary of overall variations within Waste Services	£'000
Waste disposal tonnages - other residual tonnage	Cr 94
Waste disposal tonnages - Trade Waste Delivered	170
Waste disposal tonnages - Green Garden Waste	74
Surplus trade waste delivered income	Cr 170
Paper recycling income	Cr 66
Disposal of detritus tonnage	Cr 49
Green Garden Waste Services	Cr 167
Coney Hill	Cr 27
Waste collection contract	Cr 59
Other minor variations across income & operational expenses	11
Defaults for collection service	Cr 200
Other recycling income	15
Purchase of waste containers	64
Total variation for Waste Services	Cr 498

4. Street Environment Dr £51k

Additional costs have been incurred for additional weed spraying Dr £40k and extra litter teams Dr £11k. These costs have been funded by projected underspends elsewhere in Street Scene and Greenspace.

Abandoned vehicles are projected to be overspent by £20k partly due to the fall in the price of scrap metal. The contractor can no longer recover costs from income, so charges the full cost to the council. In addition some individuals who would otherwise take their vehicle to the scrap merchants for the income are now abandoning them, which has led to an increase in numbers. The increase in cost is offset by an underspend on the cleansing contingency budget of Cr £20k.

Summary of overall variations within Street Environment	£'000
Abandoned vehicles	20
Cleansing contingency	Cr 20
Additional litter teams	11
Additional weed spray	40
Total variation for Street Environment	51

5. Management & Contract Support Dr £29k

There is a projected variation on salaries due to temporary staff costs employed to undertake commissioning work.

6. Transport Operations and Depot Management Cr £66k

Due to part year savings achieved on the Mail Delivery Service as reported to the Executive on 20th July 2016, there is a projected underspend Cr £37k. The SEN Education client service is also expected to underspend by Cr £29k.

7. Trees Dr £90k

The arboriculture service budget is expected to overspend by £90k due to health and safety remedial works associated with condition surveys and extra trees being planted.

8. Income from Bus Lane Contraventions Cr £410k

The introduction of the automated cameras went live in June, a few months later than anticipated. Based on the number of contraventions that occurred up until 31st December 2016, there is a projected net surplus of Cr £410k.

The additional income declared on Bus Lanes of Cr £410k is net of funding the cost of the automated cameras. The carry forward sum of £306k is now no longer required and has been returned to the central contingency.

9. Off Street Car Parking Dr £20k

Based on actual income to December 2016, there is an overall deficit of £20k projected for Off Street Parking income. This is made up of an expected deficit of £20k at the Hill MSCP, Cr £20k Village Way MSCP, a deficit of £60k at the Civic Centre MSCP and a projected surplus of Cr £40k for other surface car parks.

Summary of variations within Off Street Car Parking	£'000
Off Street Car Parking income - multi-storey car parks	60
Off Street Car Parking income - other surface car parks	Cr 40
Total variations within Off Street Parking	20

10. On Street Car Parking Dr £154k

Based on actual income to 31st December 2016 there is a projected net deficit of around £160k for On Street Parking. A number of sites have been identified where additional Pay and Display parking bays can be installed borough wide. This includes shopping parades to assist the turnover of parking on street and roads in close proximity to railway stations, where unrestricted parking is currently creating parking issues and displacement. As agreed, if all sites were progressed as proposed, it is likely to generate an approximate £350k per annum. Each proposal has been and will be subject to consultation with Ward Members and the directly affected residents/traders, so full implementation has not been possible by 1st April 2016. Taking into account the income to December 2016, the new spaces operational to date and those planned for implementation by 31st March 2016, it is projected that there will be a shortfall in On Street Parking income of £160k in 2016/17.

Lower airtime costs for the P&D machines have resulted in a net projected underspend of Cr £32k.

Due to the introduction of new £1 coins and £5 polymer notes, all the parking income machines will need to be upgraded at an estimated cost of Dr £78k. This is to be funded from the Equipment replacement budget of £52k. The remaining £26k will be funded by a saving on the Enforcement Equipment budget of £26k shown below. These machines are for both On Street and Off Street parking.

Summary of variations within On Street Car Parking	£'000
Shortfall of income	160
Lower airtime costs	Cr 32
Extra costs of coinage changes to equipment	26
Total variations within On Street Parking	154

11. Car Parking Enforcement Cr £30k

Based on the activity levels up to December 2016, there is a projected net surplus of Cr £20k from PCNs issued by Indigo Park. There was a delay in employing the 4 additional CEOs on street due to difficulties in staff recruitment however these are now in post with a part year underspend of Cr £48k. The numbers will be closely monitored over the next few months.

Due to delays in introducing the automated cameras which were not fully operational until July 2016, there is a net surplus of Cr £16k for mobile cars used until then. Automatic cameras have been set up outside schools and since compliance has increased at these locations there is a projected deficit in income of Dr £30k. CCTV staff were given notice mid-June 2016 and the additional cost of their salaries is £53k. It should be noted that the CCTV staff were also responsible for monitoring the bus lanes prior to the introduction of the re-deployable bus lane cameras. The additional staffing cost of the Mobile driver is £10k for 2016/17. There is a projected underspend of £5K for London Council's Debt Collection and Registration Fee and other minor variations Cr £8k.

In order to meet the costs of upgrading the parking income machines, a saving of £26k from the enforcement equipment budget will be used.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	Cr 20
CCTV Salaries	53
Mobile driver salary	10
PCNs issued by automatic cameras at schools	30
PCNs issued by Mobile (car) cameras	Cr 16
Enforcement equipment replacement budget	Cr 26
Budgets not required for additional CEOs etc	Cr 48
Debt Collection and Registration Fees	Cr 5
Other minor variations	Cr 8
Total variations within Car Parking Enforcement	Cr 30

12. Parking Shared Service Cr £48k

The total variation for the Parking Shared Service is Cr £48k mainly due to vacant posts.

13. Permit Parking Cr £18k

Based on income and expenditure to the end of December 2016, it is projected that there will be additional income of Cr £11k due to an increase in visitors permits issued. In addition there is a minor underspend on staffing and running expenses of Cr £7k.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 410
Off Street Car Parking	20
On Street Car Parking	128
On/Off Street Car Parking - upgrade machines for changes in currency	26
Enforcement - Equipment budget	Cr 26
Car Parking Enforcement	Cr 4
Parking Shared Service	Cr 48
Permit Parking	Cr 18
Total variation for Parking	Cr 332

14. Traffic and Road Safety Cr £28k

There is a projected underspend of Cr £100k on TfL funded salaries due to vacancies which is offset by a corresponding reduction in capital salary recharges of Dr £100k. Although there is no overall effect on revenue, it will increase the capital funding available for implementation of TfL funded schemes.

Income from road closure licences is expected to be Cr £18k above budget and other minor variations total Cr £10k.

15. Highways (Including London Permit Scheme) Cr £43k

Within NRSWA income, there is a projected income net surplus of £52k. The deficit projected for defect notices is more than offset by additional income from permits and coring.

Summary of NRSWA Projected Income Variations	£'000
Defects	140
Permits	Cr 120
Coring (net)	Cr 60
Section 74 Notices	Cr 20
Fixed Penalty Notices	8
Total Projected variations for NRSWA Income	Cr 52

There is a projected underachievement of income in 2016/17 of £9k for the advertising on street columns when the current extension comes to an end.

From activity to date there is a projected overspend of £100k on Highways Maintenance which is offset by £20k from an underspend on Salaries due to vacancies.

Highways	Budget	Outturn	Variance
	£'000	£'000	£'000
Planned maintenance for carriageway and footway Reconstruction	2,418	2,898	480
Reactive maintenance for carriageways and footways	1,787	1,307 Cr	480
	4,205	4,205	0

Summary of Variations - Highways (Incl London Permit Scheme)	£'000
NRSWA Income	Cr 52
Street Lighting - advertising income	9
Highways Maintenance	20
Street Lighting - salaries	Cr 20
Total Projected variations for Highways (Incl London Permit Scheme)	Cr 43

16. Non-controllable Cr £165k

There is a projected surplus income of Cr £52k within the property rental income budget and Cr £113k underspend within the repair & maintenance budget. 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. Since the last report to the Executive, the following waiver for contract values over £50k has been actioned:

1) £56k (28 months contract). Waiver was required as only one bid returned for removal, storage and disposal of nuisance and abandoned vehicles.

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, the following virements have been actioned:

- 1) A virement of £15k to between SS&GS Markets- Other Hired and Contracted and SS&GS Markets Salaries in accordance with HMRC directive on self-employed staff.
- 2) Virement of £40k to Highways Maintenance from Parking income.