

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
<b>ENVIRONMENT PORTFOLIO</b>								
<b>Street Scene &amp; Green Spaces</b>								
5,445	Parks and Green Spaces	5,109	5,091	5,177	86	1	95	0
417	Street Regulation and Enforcement incl markets	386	369	290	Cr 79	2	Cr 120	0
17,599	Waste Services	17,206	17,510	17,009	Cr 501	3	Cr 498	0
3,891	Street Environment	4,181	4,183	4,206	23	4	51	0
808	Management and Contract Support	781	792	804	12	5	29	0
629	Transport Operations and Depot Management	811	710	632	Cr 78	6	Cr 66	0
280	Trees	683	723	877	154	7	90	0
<b>29,069</b>		<b>29,157</b>	<b>29,378</b>	<b>28,995</b>	<b>Cr 383</b>		<b>Cr 419</b>	
<b>Parking Services</b>								
Cr 7,455	Parking	Cr 7,041	Cr 7,080	Cr 7,425	Cr 345	8-14	Cr 332	0
<b>Cr 7,455</b>		<b>Cr 7,041</b>	<b>Cr 7,080</b>	<b>Cr 7,425</b>	<b>Cr 345</b>		<b>Cr 332</b>	<b>0</b>
<b>Transport &amp; Highways</b>								
112	Traffic & Road Safety	284	294	245	Cr 49	15	Cr 28	0
10,035	Highways (including London Permit Scheme)	8,803	9,056	8,971	Cr 85	16	Cr 43	0
<b>10,147</b>		<b>9,087</b>	<b>9,350</b>	<b>9,216</b>	<b>Cr 134</b>		<b>Cr 71</b>	<b>0</b>
<b>31,761</b>	<b>TOTAL CONTROLLABLE</b>	<b>31,203</b>	<b>31,648</b>	<b>30,786</b>	<b>Cr 862</b>		<b>Cr 822</b>	<b>0</b>
8,075	<b>TOTAL NON-CONTROLLABLE</b>	5,299	8,165	8,165	0		Cr 165	0
2,429	<b>TOTAL EXCLUDED RECHARGES</b>	2,041	2,394	2,394	0		0	0
<b>42,265</b>	<b>PORTFOLIO TOTAL</b>	<b>38,543</b>	<b>42,207</b>	<b>41,345</b>	<b>Cr 862</b>		<b>Cr 987</b>	<b>0</b>

## 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
Merit Awards	34

## Latest Approved Budget for 2016/17

39,124

## Memorandum Items

Capital Charges 5802	-169
Deferred Charges (REFCUS) 5804	2089
Impairment 5806	-526
Gov Grants Deferred 5807	957
Insurance	104
Rent Income	-119
Repairs & Maintenance	-197
IAS19 (FRS17)	591
Past Years costs	1
Excluded Recharges	352
<b>Reported Latest Approved Budget for 2016/17</b>	<b>42,207</b>

**REASONS FOR VARIATIONS****1. Parks and Green Spaces Dr £86k**

Additional costs of £45k have been incurred to repair and replace safety surfaces at various playgrounds and £7k has been spent on painting playground equipment. These costs have been funded by projected underspends elsewhere in Street Scene and Greenspace. The deed of surrender for the lease of Crystal Palace Park café cost £60k which has been partly offset by tenants income £16k and other minor variations totalling Cr £10k. The total variation for Parks is an overspend of £86k.

<b>Summary of variations - Parks &amp; Green Spaces</b>	<b>£'000</b>
Safety surface repairs for Playgrounds	45
Playground equipment painting	7
Deed of surrender for Crystal Palace Park café lease	60
Tenants income from CPP Café	Cr 16
Other minor variations	Cr 10
<b>Total variation for Parks &amp; Green Spaces</b>	<b>86</b>

**2. Street Regulation and Enforcement incl markets Cr £79k**

£11k has been received for the recovery of administration costs dealing with claims for repairs to street furniture damaged by car accidents and £15k has been received for rental of space for promotions within Bromley Town Centre.

Costs for the security and setting up of market stalls was £26k lower than budgeted.

Due to additional street traders being taken on, and specialist markets being run, there was surplus income of £15k for Street Trading Licences. An increased demand for skip Licences has led to extra income £9k above budget.

Other net variations total Cr £3k, resulting in an overall underspend of £79k. This has been used to partly offset additional costs within the Street Environment budget as detailed below.

<b>Summary of variations - Street Regulation &amp; Enforcement incl markets</b>	<b>£'000</b>
Recovery of administration costs for dealing with claims re damage to st furniture	Cr 11
Income from rental of space for promotions	Cr 15
Markets running costs	Cr 26
Income from street trading licences and skips	Cr 24
Other minor variations	Cr 3
<b>Total variation for Street Regulation &amp; Enforcement incl markets</b>	<b>Cr 79</b>

**3. Waste Services Cr £501k**

Disposal tonnages from increased trade waste delivered activity was 841 tonnes above budget resulting in an overspend of £122k. This is less than was previously projected as the weighbridge was closed for two weeks during February.

As a direct consequence of the extra tonnage described above, additional income of £136k has been received for trade waste delivered to offset the disposal overspend from weighbridge tonnage.

An extra £82k has been spent disposing of green garden waste tonnage, as there has been an additional 1,815 tonnes compared to 2015/16.

For other residual tonnage there is an underspend of £46k. An additional £11k was received for 2015/16 as more tonnage was incinerated than estimated at year end.

Within paper recycling income, there is a surplus of £102k as tonnage is 1,278 tonnes above budget, and 1,874 tonnes more that was collected in 2015/16.

The reduction in detritus tonnage has resulted in savings of £43k for disposal costs.

Across the garden waste collection services, there is an underspend of £190k. An additional £82k has been spent on containers, publicity and a new tagging system. This has been partly offset by savings of £60k from not using the fifth vehicle as often as originally anticipated. Sales of green garden waste stickers have not dropped off as much as in previous years and additional income of £26k has been received and there has been a net increase in the number of wheelie bin customers during 2016/17 resulting in extra income of £186k. The Executive will be asked to carry forward £120k of this underspend to contribute towards the system development costs of linking the CRM GGW database to the debt management system to enable payments to be made by direct debits.

The Coney Hill contract has underspent by £30k.

There is an underspend of £82k for the waste collection contract. This is made up of £23k relating to a decrease in the number of special collections, £50k for emptying recycling banks and fly tipping costs, and other minor underspends totalling £9k.

There are outstanding defaults of £120k owed for the waste collection contract.

An extra £51k has been spent on waste containers. This was 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 is Cr £2k.

Income from recycling metals is below budget by £14k, mainly due to the reduction in the market price. This is partly offset by extra income from textiles of £8k.

	Mar-17
	£'000
<b>Summary of overall variations within Waste Services</b>	
Waste disposal tonnages - other residual tonnage	Cr 57
Waste disposal tonnages - Trade Waste Delivered	122
Waste disposal tonnages - Green Garden Waste	82
Additional trade waste delivered income	Cr 136
Paper recycling income	Cr 102
Disposal of detritus tonnage	Cr 43
Green Garden Waste Services	Cr 190
Coney Hill	Cr 30
Waste collection contract	Cr 82
Other minor variations across income & operational expenses	Cr 2
Defaults for collection service	Cr 120
Other recycling income	6
Purchase of waste containers	51
<b>Total variation for Waste Services</b>	<b>Cr 501</b>

#### **4. Street Environment Dr £23k**

Additional costs have been incurred for extra weed spraying £31k and litter teams, £8k. These costs have been funded by underspends elsewhere in Street Scene and Greenspace.

The cost of removal of abandoned vehicles has overspent by £23k 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 more than offset by an underspend on graffiti removal of £27k.

Although there were plans in place to spend the cleansing contingency budget, delays occurred due to adverse weather which meant that the programmes for leafing and deep cleansing for detritus removal slipped. This resulted in an underspend on the cleansing contract of £67k. This was used to fund the additional fly tipping costs of £67k, instead of drawing down from the earmarked reserve set aside for Members' Initiatives.

Other net variations total Cr £12k, mainly from savings on residual premises costs of the closed public conveniences.

	£'000
<b>Summary of overall variations within Street Environment</b>	
Additional litter teams and weed spraying	39
Abandoned vehicles	23
Graffiti Removal	-27
Cleansing contingency	-67
Special scheme (Members initiative for fly-tipping).	67
Other net variations across the service	Cr 12
<b>Total variation for Street Environment</b>	<b>23</b>

#### **5. Management & Contract Support Dr £12k**

This variance relates to additional net costs of employing temporary staff to undertake commissioning work.

#### **6. Transport Operations and Depot Management Cr £78k**

Part year savings have been achieved on the Mail Delivery Service of £17k. Reduced staffing levels required for the SEN transport client service has led to an underspend of £29k.

Other variations total £32k due to underspends on depot maintenance, transport and Business Rates.

	£'000
<b>Summary of variations for Transport Operations &amp; Depot Management</b>	
Savings on the mail delivery service	Cr 17
SEN transport client service	Cr 29
Other variations (depot maint, transport & Business Rates)	Cr 32
<b>Total variations within Transport Operations &amp; Depot Management</b>	<b>Cr 78</b>

#### **7. Trees Dr £154k**

The arboriculture service budget has overspent by £154k due to health and safety remedial works associated with condition surveys and extra trees being planted.

**8. Income from Bus Lane Contraventions Cr £420k**

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 March 2017, there is a surplus of £388k. This is below previous projections as the numbers of contraventions in bus lanes have dropped due to increased compliance and this trend is expected to continue. There is also an additional £32k income from PCNs issued in previous years.

The additional income declared on Bus Lanes of £420k is net of funding the cost of the automated cameras. The carry forward sum of £306k was no longer required and has been returned to the central contingency.

**9. Off Street Car Parking Dr £44k**

There is an overall deficit of £44k for Off Street Parking income. This is made up of a deficit of £39k at the Hill MSCP, a surplus of £19k for Village Way MSCP, a deficit of £44k at the Civic Centre MSCP and a surplus of £20k for other surface car parks.

Other variations include an overspend on rents of £11k due to a backdated rent review which is offset by underspends on utilities totalling £11k. Due to a reduction in usage and rates there is an underspend on credit card commission of £10k. Other minor variations total Dr £10k.

<b>Summary of variations within Off Street Car Parking</b>	<b>£'000</b>
Off Street Car Parking income - multi-storey car parks	64
Off Street Car Parking income - other surface car parks	Cr 20
Rents	11
Utilities	Cr 11
Credit card commission	Cr 10
Other net variations	10
<b>Total variations within Off Street Parking</b>	<b>44</b>

**10. On Street Car Parking Dr £130k**

Overall there is a net deficit of around £130k 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 from these new spaces introduced during 2016/17, there will be a shortfall of On Street Parking income of £130k in 2016/17. The increase in income since last reported reflects the net effect of new spaces which have become operational.

Lower airtime costs for the P&D machines have resulted in an underspend of £32k.

Due to the introduction of new £1 coins and £5 polymer notes, the parking income machines have been upgraded at a cost of £78k. This has been funded from the Equipment replacement budget of £52k. The remaining £26k has been funded from a saving on the Enforcement Equipment budget of £26k shown below. These machines are for both On Street and Off Street parking. Other minor variations total Dr £6k.

<b>Summary of variations within On Street Car Parking</b>	<b>£'000</b>
Shortfall of income	130
Lower airtime costs	Cr 32
Extra costs of coinage changes to equipment	26
Other minor variations	6
<b>Total variations within On Street Parking</b>	<b>130</b>

**11. Car Parking Enforcement Cr £12k**

Less income than anticipated was received (£17k) for PCNs issued by CEOs in previous financial years.

Delays in employing the 4 additional CEOs on street due to difficulties in staff recruitment has led to a net underspend on staffing of £41k.

Due to delays in introducing the automated cameras, which were not fully operational until July 2016, additional net income of £7k was received for PCNs issued using the mobile cars and an extra £10k was received for PCNs issued in previous years. Automatic cameras have been set up outside schools and since compliance has increased at these locations there is a deficit in income of Dr £26k compared to expected levels. This has been offset by additional income of £9k for tickets issued by static cameras in previous years.

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. Other minor variations total Cr £11k.

In order to meet the costs of upgrading the parking income machines, a saving of £30k from the enforcement equipment budget has been used.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	17
Budgets not required for additional CEOs etc	Cr 41
PCNs issued by Mobile (car) cameras	Cr 17
PCNs issued by automatic cameras at schools	26
PCNs issued by static cameras	Cr 9
CCTV Salaries	53
Enforcement equipment replacement budget	Cr 30
Other minor variations	Cr 11
<b>Total variations within Car Parking Enforcement</b>	<b>Cr 12</b>

## **12. Parking Shared Service Cr £58k**

The total variation for the Parking Shared Service is an underspend of £58k mainly due to vacant posts.

## **13. Permit Parking Cr £23k**

Permit parking shows additional income of £11k due to an increase in visitor permits issued. In addition there is a minor underspend on staffing and running expenses of £12k.

## **14. Disabled Parking Cr £6k**

The variation of Dr £6k is made up of an underspend of £12k for on issuing/ renewal of Blue Badges partly offset by additional net costs of £6k for Blue Badge prosecutions for misuse.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 420
Off Street Car Parking	44
On Street Car Parking	130
Car Parking Enforcement	Cr 12
Parking Shared Service	Cr 58
Permit Parking	Cr 23
Disabled Parking	Cr 6
<b>Total variation for Parking</b>	<b>Cr 345</b>

## **15. Traffic and Road Safety Cr £49k**

There is an underspend of Cr £43k on TfL funded salaries due to vacancies which is offset by a corresponding reduction in capital salary recharges of £43k. Although there is no overall effect on revenue, it has increased the capital funding available for implementation of TfL funded schemes.

Income from road closure licences is £21k above budget due to an increase in applications. There is an underspend of £18k on the school crossing patrol contract due to defaults issued through non-attendance.

Other variations total Cr £10k, mainly due to vacancies and a reduction in car allowances.

## **16. Highways (Including London Permit Scheme) Cr £85k**

As a result of the planned change to reduce expenditure on expensive reactive works there was increased investment on long term cost effective permanent repairs through the planned maintenance programme as summarised in the table below.

Highways	Budget £'000	Outturn £'000	Variance £'000
Planned maintenance for carriageway and footway Reconstruction	2,673	3,228	555
Reactive maintenance for carriageways and footways	1,787	1,324 Cr	463
	<b>4,460</b>	<b>4,552</b>	<b>92</b>

There is a small surplus of income totalling £11k.

In year staff vacancies have led to an underspend of £60k.

The winter service budgets are £96k underspent, essentially due to the relatively mild winter and lack of snowfall. The table below gives a breakdown of winter service budgets, final expenditure, and subsequent variances: -

Winter Service	Budget £'000	Outturn £'000	Variance £'000
Salt, gritting & snow clearance	164	115 Cr	49
Met Office Costs	26	21 Cr	5
Vehicle / plant maintenance & repairs	111	102 Cr	9
Standby / training / overtime and other costs	108	75 Cr	33
<b>Winter Service Totals</b>	<b>409</b>	<b>313 Cr</b>	<b>96</b>

Due to the mild winter, the salt budget for snow friends has underspent by £29k.

<b>Summary of Variations - Highways (Incl London Permit Scheme)</b>		<b>£'000</b>
Income	Cr	11
Winter service	Cr	96
Staff vacancies	Cr	60
Net overspend on planned highway & footway expenditure		92
Snow friends materials	Cr	29
Other minor variations		19
<b>Total Projected variations for Highways (Incl London Permit Scheme)</b>	<b>Cr</b>	<b>85</b>

**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, no waivers for contract values over £50k has been actioned.

**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.