

Environment & Community Portfolio Budget Monitoring Summary

2017/18 Actuals £'000	Service Areas	2018/19 Original Budget £'000	2018/19 Latest Approved £'000	2018/19 Projected Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
	ENVIRONMENT & COMMUNITY PORTFOLIO							
	Street Scene & Green Spaces							
5,071	Parks and Green Spaces	5,231	5,367	5,365	Cr 2		0	0
243	Street Regulation and Enforcement incl markets	352	352	362	10		0	0
16,930	Waste Services	18,120	17,744	17,666	Cr 78	1	Cr 11	0
4,103	Street Environment	4,414	4,414	4,414	0		0	0
907	Management and Contract Support	1,085	1,245	1,207	Cr 38	2	0	0
801	Trees	749	749	749	0		0	0
28,055		29,951	29,871	29,763	Cr 108		Cr 11	0
	Transport Operations and Depot							
706	Transport Operations and Depot Management	701	707	707	0		0	0
706		701	707	707	0		0	0
	Transport & Highways							
286	Traffic & Road Safety	324	324	332	8		0	0
Cr 7,893	Parking	Cr 7,119	Cr 7,419	Cr 7,419	0	3 - 6	Cr 3	300
6,589	Highways (including London Permit Scheme)	6,689	6,520	6,479	Cr 41	7	0	0
Cr 1,018		Cr 106	Cr 575	Cr 608	Cr 33		Cr 3	300
27,743	TOTAL CONTROLLABLE	30,546	30,003	29,862	Cr 141		Cr 14	300
6,601	TOTAL NON-CONTROLLABLE	6,195	6,240	6,267	27	8	15	0
2,323	TOTAL EXCLUDED RECHARGES	2,540	2,460	2,460	0		0	0
36,667	PORTFOLIO TOTAL	39,281	38,703	38,589	Cr 114		1	300

Reconciliation of Latest Approved Budget

£'000

Original Budget 2018/19

39,281

Carry Forward Requests approved from 2017/18

Green Garden Waste Direct Debits		120
Highway Pothole Grant 2017/18 - Income	Cr	113
Highway Pothole Grant 2017/18 - Expenditure		113
Management and Contract Support		80
Parks Infrastructure works		80

Central Contingency Adjustments

Waste Disposal	Cr	490
Parking - Bus lane contraventions	Cr	300
PYE savings relating to award of Highways maintenance contract	Cr	169
Highway Pothole Grant 2018/19 - Income	Cr	113
Highway Pothole Grant 2018/19 - Expenditure		113

Other

Inflation adjustment		56
R&M - Fire Risk Assessments & Cyclical Maintenance		45

Latest Approved Budget for 2018/19

38,703

REASONS FOR VARIATIONS**1. Waste Services Cr £78k**

The budget has been realigned to reflect the full year effect of the reduction in tonnage compared with 2017/18 and one off reduction in tonnage during 2018/19, mainly for household tonnage and green garden waste as a result of the dry weather. In total £490k has been returned to central contingency.

Across the garden waste collection service there is a projected underspend of £122k. This is made up of an underspend of £72k for a lower use of the sixth vehicle during the year than expected and additional income of £70k is expected due to increase in the number of customers. This is partly offset by £20k for purchases of extra containers.

A net surplus of income of £16k is expected from the sale of recycling materials. This is due to an increase in the market price of textiles and iron, offset by a shortfall in income from paper due to reducing tonnage.

Based on the tonnage received over the weighbridge during April to September, there is a projected reduction in income of £70k from trade waste delivered.

For trade waste collection there is a net projected shortfall of income of £47k, mainly due to a slightly higher customer dropout rate

Following agreement of the 2017/18 level of defaults, a credit of £38k was received.

There is a £19k underspend on staffing as a result of part year vacancies.

Summary of overall variations within Waste Services		£'000
Green Garden waste service	Cr	122
Surplus income from sale of recycling materials	Cr	16
Shortfall in trade waste delivered income		70
Trade waste collected income		47
Credit for 17/18 Default settled in 18/19	Cr	38
Underspend on Staffing	Cr	19
Total variation for Waste Services	Cr	78

EARLY WARNING

£120k budget was carried forward from 2017/18 for the development of a direct debit system for the GGW service. The service has awaited the outcome of the Environment Commissioning Programme and will develop a GGW system for the management of customers, with the minimum requirement of having the ability to offer an online direct debit provision for customers and integration with the new service suppliers system(s). It is therefore possible that some of the £120k will need to be carried forward to 2019/20 should any of the works need to be completed in the new year.

2. Management and Contract Support Cr £38k

Part year vacancies have resulted in an underspend of £38k.

Parking**3. Income from Bus Lane Contraventions Cr £257k**

There is a net projected surplus of £257k on the redeployable automated cameras operating in bus lanes for 2018/19 based on numbers of contraventions to 30th September 2018.

4. Off/On Street Car Parking Dr £113k

Overall there is a net variation of Dr £113k for Off and On Street parking.

A deficit of £129k is forecast for Off & On Street Parking income. This is mainly due to a continued downward trend in parking usage, in particular for the on street bays & multi-storey car parks.

Additional income of £16k is expected to be received from cashless parking fees, as the use of this service continues to grow.

The projected overspend for Off and On Street Car parking within the Parking budget is detailed below: -

Summary of variations within Off/On Street Car Parking	OFF ST	ON ST	Total
	£'000	£'000	£'000
Off/On Street Car Parking income	39	90	129
Less additional Ring Go fees	Cr 5	Cr 11	Cr 16
Total variations within Off/On Street Parking	34	79	113

5. Car Parking Enforcement Dr £176k

From the activity levels up to September 2018, there is a projected net deficit of around £300k from PCNs issued by APCOA in the current year. This is mainly due to a reduction in contraventions, issues related to the deployment plan, policy changes in shared use bays in zone A and a growing number of ad hoc enforcement requests from residents using the online form.

There are defaults on the Enforcement contract costs of around Cr £72k which partly offsets this variation, £40k of which relate to 2017/18.

There is a projected underspend of £30k for credit card commissioning costs and a £22k underspend on the electronic appeals costs payable to the Traffic Committee.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	300
APCOA Enforcement defaults	Cr 72
Credit card commission	Cr 30
Electronic appeals cost	Cr 22
Total variations within Car Parking Enforcement	<u>176</u>

6. Parking Shared Service Cr £32k

Part year vacancies have resulted in an underspend of £32k.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 257
Off Street Car Parking	34
On Street Car Parking	79
Car Parking Enforcement	176
Parking Shared Services	Cr 32
Total variation for Parking	<u>0</u>

7. Highways- Including London Permit Scheme Cr £41k

Within NRSWA income, there is a projected surplus of income of £41k. This is mainly due to an increase in the number of permits issued as well as income from Section 74 Notices.

8. Non-controllable Dr £27k

There is a projected shortfall in income of £27k within the property rental income 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 exempt from the normal requirement to obtain competitive quotations the Chief Officer has to obtain the agreement of the Director of Corporate Services, the Director of Finance and the Director of Commissioning 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 over £50k have 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 virement has been actioned.