

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	5,360	5,343	Cr 17	1	Cr 2	0
243	Street Regulation and Enforcement incl markets	352	352	358	6		10	0
16,930	Waste Services	18,120	17,751	17,420	Cr 331	2	Cr 78	0
4,103	Street Environment	4,414	4,414	4,314	Cr 100	3	0	0
907	Management and Contract Support	1,085	1,245	1,174	Cr 71	4	Cr 38	0
801	Trees	749	749	749	0		0	0
28,055		29,951	29,871	29,358	Cr 513		Cr 108	0
	Transport Operations and Depot							
706	Transport Operations and Depot Management	701	526	526	0		0	0
706		701	526	526	0		0	0
	Transport & Highways							
286	Traffic & Road Safety	324	324	219	Cr 105	5	8	0
Cr 7,893	Parking	Cr 7,119	Cr 7,419	Cr 7,365	54	6 - 11	0	0
6,589	Highways (including London Permit Scheme)	6,689	6,520	6,395	Cr 125	12	Cr 41	0
Cr 1,018		Cr 106	Cr 575	Cr 751	Cr 176		Cr 33	0
27,743	TOTAL CONTROLLABLE	30,546	29,822	29,133	Cr 689		Cr 141	0
6,601	TOTAL NON-CONTROLLABLE	6,195	6,240	6,254	14	13	27	0
2,323	TOTAL EXCLUDED RECHARGES	2,540	2,460	2,460	0		0	0
36,667	PORTFOLIO TOTAL	39,281	38,522	37,847	Cr 675		Cr 114	0

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
Additional Income & Saving opportunity (AMEY)	Cr 181

Other

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

Latest Approved Budget for 2018/19

38,522

REASONS FOR VARIATIONS**1. Parks and Green Spaces Cr £17k**

Overall a net underspend of £17k is projected for Parks and Green Spaces mainly due to additional income from floral bedding sponsorship from 2017/18.

2. Waste Services Cr £331k

Overall tonnage is expected to be 168 tonnes below current budget, and 1,480 less than last year, mainly for household tonnage. As a result, contract disposal costs will be £39k below budget.

Additional income of £29k is expected from the sale of recycling materials due to an increase in the market price of textiles and iron.

Across the garden waste collection services, there is a projected underspend of £238k. This is made up of additional income of £110k due to an increase in the number of customers, and an underspend of £150k as the current number of existing customers have not reached the indicative threshold for rerouting of crew schedules for the sixth vehicle. This is partly offset by £22k overspend for the purchase of extra containers.

Based on the tonnage received over the weighbridge from trade customers during April to December, there is a projected reduction in income of £79k from trade waste delivered.

Within trade waste collection there is a net projected shortfall of income of £78k mainly due to a higher customer dropout compared to the level expected.

There is a net underspend of £38k on the refuse collection contract, mainly due to a lower volume than expected on the variable elements including collection of bulk containers and emptying of recycling banks. This has partly offset the £30k cost for purchasing additional trade waste, domestic and recycling containers.

Following agreement of the 2017/18 and the April - September 2018 level of defaults, a total credit of £66k has been received.

Part year vacancies have resulted in an underspend of £34k.

Additional works valued at £90k have needed to be carried out during the mobilisation of the new Environment contract including upgrades on Confirm, the weighbridge system and relocating various teams within the depot.

Other minor variances across the service total Cr £44k.

A request is being made to the Executive to carry forward the £120k set aside for developing a direct debit system for the GW service during next year. Due to the mobilisation of the Environmental contracts, the direct debit system has been delayed and the work required to enable direct debit payments to be taken for the GW service will not start until April 2019.

Summary of overall variations within Waste Services

	£'000
Waste disposal costs	Cr 39
Additional income from sale of recycling materials	Cr 29
Green Garden waste service	Cr 238
Shortfall in trade waste delivered income	79
Trade waste collected income	78
Underspend on refuse collection contract	Cr 38
Purchase of waste containers	30
Defaults received for the waste contract	Cr 66
Underspend on Staffing	Cr 34
Mobilisation of the Environment contract	90
Other minor variances	Cr 44
C/forward of underspend re. green garden waste system to accept direct debit payments	Cr 120
Total variation for Waste Services	Cr 331

3. Street Environment Cr £100k

Overall the Street Environment budget is expected to underspend by £100k. A £100k underspend on gully cleansing and soakaway is due to the dry summer and a lower volume of cyclical cleansing than expected, and a reduction in the level of reactive graffiti removal has resulted in an underspend of £50k. This is partly offset by additional works of £50k spent on drainage and infrastructural work.

4. Management and Contract Support Cr £71k

The Management and Contract Support budget is expected to underspend by £71k due to part year vacancies. A request will be made to Executive to carry forward £40k of the underspend on staffing to 2019/20 for additional administrative support during the mobilisation on the new Environment contract.

5. Traffic & Road Safety Cr £105k

This variation is due to additional income received from road closure charges, mainly due to a spike in the number of applications from utilities companies to carry out infrastructure works.

Parking**6. Income from Bus Lane Contraventions Cr £234k**

There is a net projected surplus of £204k on the deployable automated cameras in bus lanes for 2018/19 based on the number of contraventions to 31st December 2018. There is also an additional £30k income received from PCNs issued in previous years.

7. Off/On Street Car Parking Dr £162k

Overall there is a net variation of Dr £162k for Off and On Street parking.

A deficit of £220k 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. This deficit includes the delay with the roll out of additional On Street Parking bays.

Additional income of £28k is expected to be received from cashless parking fees, as the use of this service continues to grow.

During the period April to December 2018, £7k defaults was applied to the contract relating to the management of On & Off Street Parking.

£18k additional income is projected from the suspensions of existing parking restrictions. Other minor variations total to Cr £5k.

This overall 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 £'000	ON ST £'000	Total £'000
Off/On Street Car Parking income	72	148	220
Less additional Ring Go fees	Cr 9	Cr 19	Cr 28
Level of Defaults applied to contract Apr to Dec 18	Cr 5	Cr 2	Cr 7
Bay Suspensions		Cr 18	Cr 18
Other minor variations	Cr 7	2	Cr 5
Total variations within Off/On Street Parking	51	111	162

8. Permit Parking Cr £37k

A surplus of £37k is forecast for permit parking income based on activity levels up to December 2018.

9. Disabled Parking Cr £6k

A minor variation is projected for Disabled Permits totalling Cr £6k.

10. Car Parking Enforcement Dr £273k

From the activity levels to December 2018, there is a projected net deficit of around £435k from PCNs issued by APCOA in the current year. This is mainly due to a reduction in contraventions, issues related to the deployment plan and policy changes to the shared use bays in zone A of Bromley Town Centre as well as a growing number of ad hoc enforcement requests from residents using the online form.

Defaults applied to the Enforcement contract totals Cr £88k, which partly offsets the income variation, £40k of which relates to defaults for 2017/18.

There are also underspends for credit card commissioning costs (Cr £18k), electronic appeals costs payable to the Traffic Committee (Cr £22k) and debt collection costs (Cr £14k), as a direct result of the reduction of contraventions .

Additional income of £20k has been received from PCNs issued in previous years.

Summary of variations within Car Parking Enforcement	£'000
PCNs issued by wardens	435
APCOA Enforcement defaults	Cr 88
Credit card commission	Cr 18
Electronic appeals cost	Cr 22
Debt collection costs	Cr 14
Additional income from PCNs issued in previous years	Cr 20
Total variations within Car Parking Enforcement	273

11. Parking Shared Service Cr £104k

Part year vacancies have resulted in an underspend of £104k.

Summary of overall variations within Parking:	£'000
Bus Routes Enforcement	Cr 234
Off Street Car Parking	51
On Street Car Parking	111
Permit Parking	Cr 37
Disabled Parking	Cr 6
Car Parking Enforcement	273
Parking Shared Services	Cr 104
Total variation for Parking	<u>54</u>

12. Highways- Including London Permit Scheme Cr £125k

Within NRSWA income, there is a projected £63k surplus of income, mainly due to an increase in the number Section 74 Notices.

As a result of successful debt recovery processes, £30k of bad debt provision that was previously set aside can be released at year end.

Car allowances are expected to be £10k below budget and other minor variations across the service total Cr 22k.

Summary of Variations within Highways	£'000
Surplus NRSWA Income	Cr 63
Release of bad debt provision	Cr 30
Car allowances	Cr 10
Other minor variations	Cr 22
Total variations within Highways:	<u>Cr 125</u>

13. Non-controllable Dr £14k

There is a projected shortfall in income of £14k 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, the following waivers over £50k have been actioned.

1) £60k to undertake one-off seasonal service for the gritter fleet on Highway service in April 2019 to October 2019.

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.