

RISK AREAS WITHIN ENVIRONMENT & COMMUNITY SERVICES PORTFOLIO FOR 2022/23 ONWARDS

Waste Services

Increasing property numbers

Growth in the number of properties incurs additional expenditure as extra collections are required and additional waste is generated. An increase in relevant property numbers, subsequent to a full review in 2020, has resulted in a projected cost pressure of £120k relating to the domestic waste collection costs.

While the draft budget has made allowance for the expected growth in property numbers in 2022/23, growth in excess of that assumed would result in further additional costs. While officers will seek to manage within overall waste budgets, the ongoing impact will need to be continued to be kept under review.

Waste tonnages

The quantity of municipal waste collected in Bromley in recent years had been relatively stable with comparatively minor fluctuations.

However, waste tonnages have been affected by changes to consumerism/ societal behaviour due to the global pandemic. Changes include:

- More people being based at home and therefore generating more waste from their home e.g. from cooking at home, working at home
- More online deliveries and associated packaging, with less shops being open during pandemic lockdowns
- The transition to reusable items slowing down as single use viewed as cleaner and it has become more difficult to access refillable stations or packaging free shops
- Businesses and households conducting household clear outs during the pandemic lockdowns.

It is likely that some of these lifestyle changes will continue at least in 2022/23 and, therefore, that waste tonnages will continue to be high. As a result, the waste budget has been increased by a further £0.8m.

The average cost of waste disposal for 2021/22 has remained at around £107 per tonne. Each 1% increase in waste tonnage would increase disposal costs by £166k per annum.

National waste policies, embedded recycling services and waste minimisation campaigns will contribute to restraining increases in waste, however, there is a budgetary risk that overall waste tonnage will continue to increase in excess of the proposed budget growth.

Green Garden Waste

The Green Garden Waste service is expected to overspend by £335k this financial year. Customer numbers continue to increase resulting in additional projected income of £549k. However this is offset by projected increased collection and disposal costs of £668k. Purchase and delivery costs of green garden waste bins to new customers are projected to exceed budget by £201k. This cost pressure is anticipated to be a one off in 2021/22 due to the high level of growth in this service. Replacement bins are only required every 3 to 4 years and therefore requirements should be contained within budget in future years when it is expected customer numbers will plateau. The green garden waste satellite sites are forecast to overspend by £15k this financial year.

Recycling Income

Recycling prices remain relatively depressed with no significant recovery expected. This has an impact on recycling income, since recycle income rates are updated to reflect market indices every 6 months.

Winter Service

The budgets for this service have been realigned to reflect average patterns of spend for precautionary salting, primarily for frost or ice, in recent years. There has been relatively little actual snow clearance over that time, except during the winter of 2017/18 which saw prolonged sub-zero temperatures. Therefore, there is a risk of incurring additional costs in the event of a severe weather event for which funding will need to be drawn down from Central Contingency.

TfL Funding

There is still uncertainty with regard to TfL funding. Limited short-term grant has been allocated to 11th December 2021, extended by six days at which point a further announcement was expected. No funding for either staff costs or projects has been identified post this date, although it is anticipated that we will bear these costs through to September/October.

Parking

Parking services were most severely affected during the initial Covid-19 lockdown restrictions in 2020, with a 95% reduction in parking use at one stage and a corresponding decrease in the level of enforcement. The income budget for 2021/22 was consequently reduced by £1.2m and while there had been a good level of recovery in recent months, use of surface and multi-storey car parks in particular remain somewhat lower than budgeted. However, as reported in the most recent budget monitoring, enforcement activity had returned to pre-Covid levels and income from PCN's was projected to overachieve.

The draft budget for 2022/23 assumes that this recovery in car parking usage would be maintained into 2022/23 with a small increased income target of £0.2m. However, given the latest 'Work from Home where You Can' message, it is conceivable that car park income will still be affected as we move into Quarter 1 and Quarter 2 of 2022/23.

Moving Traffic Contravention income is significantly down on projected levels due in part to lower traffic numbers brought about by COVID. In addition, initial technical

issues have affected enforcement of yellow box junctions with approximately only 50 percent of cars being captured. This matter is currently with the camera providers to provide a technical fix.

Other Income

Income from other fees and charges is also affected across all services to some degree with marked reductions in income from street traders' licences and this is likely to continue as consequence of the implementation of Governments Plan B into Quarter 1 of 2022.

Pressures from Public Demand

Apart from the identifiable financial pressures arising from such items as contract costs and price increases, as well as the longer-term impact of Covid-19, there are other pressures due to growing public expectations, social change and legislation. Increased public expectations of local services may be difficult to respond to during a continuing period of tight restraint on resources.

Past surveys of public opinion have shown that four issues were consistently recognised as making Bromley a good place to live. These were low levels of crime, good health services, clean streets and public transport. The Environment and Public Protection department leads for the Council on clean streets and on crime issues, particularly enviro-crime and anti-social behaviour; and the Department has an input to TfL and others on public transport. There is continued public demand for high service standards in all these areas.

In terms of what needs most improvement in the local area, activities for teenagers, traffic congestion, road and pavement repairs, the level of crime and clean streets were regularly mentioned by residents. All these service areas are either the lead responsibility of the Environment and Public Protection department (clean streets, road & pavement repairs) or ones to which the department makes a significant contribution.

Carbon Emissions

The Council's commitment to a zero net carbon target by 2029 for direct emissions will require investment and has the potential to increase cost pressures. Some of this work can be covered by existing capital and revenue budgets, or through interest free loans and carbon offsetting S106 payments. However, action taken as part of the Carbon Management Programme for direct emissions should lead to cost efficiencies for the Council in the longer term, and the Carbon Neutral Initiative Fund was established in 2020/21 to provide further investment for new schemes that generate a revenue saving.

However, should there be an expectation in the future for the Council to commit to addressing Borough-wide emissions (those of householders and business in the Borough as well as our supply chain), this will require significant investment (for example in the retrofitting of households to increase their energy efficiency) and that will present a major financial risk to the organisation. This would require significant investment from Central Government.