

Environmental Services - Pre-DMT Budget Monitoring Notes – 31 October 2010

1. Bus Lane Enforcement £0k

The number of contraventions has increased over recent months resulting in a projection of an overachievement of income of £16k. At this moment in time it is not anticipated that this increase will continue to the end of the year, although the situation will be closely monitored. This is offset by Dr £16k less income being received for tickets issued last year.

2. Off Street Car Parking Dr £510k

Off street car parking is expected to be at least £510k below budget due to the continuing effects of the economic climate. From April to October there was a shortfall of £276k for the Hill, Westmoreland and Civic Centre car parks compared to budget, but in line with the actual received for the same period last year. If usage continues at this level, it is projected that the full year shortfall for these car parks will be £460k. Income from the other surface car parks is also below budget and a shortfall of £50k is projected for the year. Notable items include car parks within West Wickham £15k and Orpington College £5k.

3. On Street Car Parking £0k

A balanced budget is projected for on street parking.

A surplus of £50k is being projected from Orpington parking after allowing for £30k loss of income due to road works.

A full-year deficit of £60k is projected within Bromley CPZ partly offset by additional income of £20k within Petts Wood & Beckenham. There are other deficits across the smaller parking zones totalling £10k.

4. Parking Enforcement Cr £110k

A surplus in income of £110k is being projected. There continues to be a small increase in tickets issued from the mobile and static CCTV cameras due to more effective utilisation of resources £56k partly offset by less income (Dr £28k) being received for tickets issued last year. The performance of the parking contractor has improved significantly during the first part of the year and has led to a surplus of £122k being projected again partly offset by £40k less income being received for tickets issued last year.

| <u>Summary of variations within Parking</u> | |
|---|--------------|
| Reasons | £'000 |
| Deficit in income from off street parking | 510 |
| Surplus income within parking enforcement - PCN numbers | (110) |
| Total reported variation | 400 |

The recession fund held within the central contingency will meet the shortfall of income for parking. The adjustment will be made at the end of the financial year.

5. Markets £14k

Due to the recession the number of market stall holders has reduced and a deficit in income of £14k is being projected.

6. Waste Management Cr £822k

Disposal

Refuse Disposal tonnages are continuing to drop. Tonnage is 7,700 below the budgeted amount for April – October resulting in an underspend of £565k. At this stage it is projected that the year end variation will be 11,500 tonnes, (although this could be as high as 13,000 tonnes), with a projected full year underspend of £840k. However, if the year-end variation results in 13,000 tonnes, this could increase the variation to £956k.

Collection

Currently, there is a projected overspend of £25k within the collection contract mainly due to kitchen waste trial.

Other items

£20k additional costs incurred for business rates at the incineration site following legislative changes.

£65k extra income is being projected for trade waste delivered and collected which is partly offset by the £28k income deficit from other sales, special and clinical collections and the deficit of £10k projected for the income from the sale of recycled paper due to a small reduction in tonnage.

| Summary of variations within Waste Services | |
|---|---------------------|
| <u>Reasons</u> | <u>£'000</u> |
| <u>Disposal Contract</u> | |
| Reduction in disposal tonnages | (840) |
| Deficit in paper recycling income | 10 |
| <u>Collection Contract</u> | |
| Kitchen waste trial | 25 |
| <u>Other items</u> | |
| Business rates at incineration site | 20 |
| Additional income for trade waste collected & delivered | (65) |
| Deficit on other income | 28 |
| Total reported variation | (822) |

7. Highways Dr £52k

Agreement has now been reached with Thames Water about the level of sample inspection billing for last year and as a result the bad debt provision raised for 2009/10 is not sufficient to cover the full loss of income, leaving a shortfall of income for 2009/10 of £52k once invoices are revised.

Similarly, following the agreement £32k of invoices raised in quarter 1 of 2010-11 will be cancelled as the improvement notices are no longer chargeable.

It is anticipated that there will be reduced expenditure within carriageway repairs of £32k to partly off-set the income deficit. The balance will be met from the underspend within Waste Services.

8. Non-controllable variations Dr £43k

Any variations within the non-controllable section are reported in detail to the Resources PDS as these budgets fall under the control of Property Department, not Environmental Services.

For information here, the variations relate to shortfalls within property rental income budgets across the division. Property department are accountable for these variations as well as any movement within repairs and maintenance budgets.