

Environmental Portfolio - Variations as at 31.12.10**1. Bus Lane Enforcement Dr £7k**

The number of contraventions has increased over recent months resulting in a projection of an overachievement of income of £9k. 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 offsets £16k less income being received for tickets issued last year, giving a net deficit of £7k

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 December there was a shortfall of £365k 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 £20k and Orpington College £7k.

Please note that the actual effect of the adverse weather conditions is now incorporated into the projections, and is line with what was expected and previously reported.

3. On Street Car Parking Cr £20k

A surplus of £60k is being projected from Orpington parking after allowing for £30k loss of income due to road works.

A full-year deficit of £65k is projected within Bromley CPZ partly offset by additional income of £20k within Petts Wood & Beckenham. There are other surpluses across the smaller parking zones totalling £5k.

4. Parking Enforcement Cr £149k

A surplus in income of £149k 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 £81k partly offset by a 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 £136k 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 on-street parking	(20)
Deficit in bus routes enforcement	7
Surplus income within parking enforcement - PCN numbers	(149)
Total reported variation	348

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 £0k

Due to the recession the number of market stall holders has reduced and a deficit in income of £10k is being projected. However, this has been offset by reduced expenditure.

6. Waste Management Cr £738k

Disposal

Refuse Disposal tonnages are continuing to drop. Tonnage is 10,000 below the budgeted amount for April – December resulting in an underspend of £736k. At this stage it is projected that the year end variation will be 12,400 tonnes, (although this could be as high as 13,000 tonnes), with a projected full year underspend of £912k. 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 £166k within the collection contract.

This is due to overspends within green waste satellite sites £30k, the kitchen waste trial £5k, and additional depot works £40k.

It also includes £91k additional collection costs as a result of the December snowfalls – please see table below for further details.

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.

£15k additional costs incurred in respect of staff overtime, associated with the roll-out of the kitchen waste service.

Summary of variations within Waste Services	
Reasons	£'000
<u>Disposal Contract</u>	
Reduction in disposal tonnages	(912)
Deficit in paper recycling income	10
<u>Collection Contract</u>	
Green waste satellite sites	30
Kitchen waste trial	5
Depot works	40
Additional costs due to snow	91
<u>Other items</u>	
Business rates at incineration site	20
Additional income for trade waste collected & delivered	(65)
Deficit on other income	28
Overtime - kitchen waste service	15
	(738)
Balance returned to central contingency	756
Total reported variation	18

	Projected Spend £'000
Snow waste collection costs	
Redeployment of collection staff to snow clearance	17
Additional loaders deployed on rounds to facilitate collection of outstanding waste	74
Total	91

7. Highways Dr £725k

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.

Currently a surplus in NRSWA income of £28k is being projected due to an improvement for defect notices. This is a significant movement from the previous deficit of £32k which was previously reported.

It is anticipated that there will be reduced expenditure within carriageway repairs of £24k to fully off-set this net deficit.

A small deficit is projected for other income of £22 which includes a £9k deficit within skip licence income as a result of fewer building improvement works being undertaken. This deficit is being offset by reduced running expenses.

Estimated costs above budget relating to winter maintenance due to the recent snow during December are £725k. The table below gives a breakdown of winter maintenance budgets and the projected variances: -

APPENDIX 1

Winter Maintenance	Budget £'000	Projected Spend £'000	Projected Variance £'000
Gritting and Snow Clearance (detail shown in table below)	207	638	431
Met Office Costs	32	23	(9)
Salt Usage	32	142	110
Vehicle/plant maintenance & repairs	99	147	48
Salt Barn improvements	0	110	110
Total Winter Maintenance costs	370	1,060	690
Additional emergency tree works		35	35
Total additional highways costs due to the snow	370	1,095	725

The reason for the large overspend for winter maintenance is that the UK experienced the coldest December in 31 years, the South East suffered from two main snow events, with as much snow as 60cm falling in some parts of the Borough.

Due to the high demand for salt during the latter part of the fiscal year, the average purchase price per tonne increased by £5.80. 4,560 tonnes were used during December costing £142k, an additional £26k compared to 2009/10.

The salt barn at Shire Lane needed to be re-surfaced and improved in order to better preserve the salt and to provide more efficient and adequate storage facilities.

Due to the high volume of snow, the weight caused significant damage to the Borough's trees and additional works to the value of £35k have been carried out. The current contractor is continuing to assess and remedy all emergency safety works to the trees and more costs may be incurred as the works are progressed throughout the Borough.

There will also be possible additional costs for repairing potholes that have arisen as a result of the adverse weather conditions. Officers are currently undertaking surveys across the borough to assess the damage.

Members should note that in the last two years the Borough has had snow during January, February and March and therefore there is a high risk that further costs will be incurred during the next three months.

Breakdown of gritting and snow clearance expenditure

	£'000
Additional labour and plant for footway clearance	207
Primary routes 1 and 2 operation	172
JCBs and demounts for areas outside Primary routes 1/2 network	116
Salt transfer from Shire Lane to Baths Road	24
Salt bin filling (x3 Oct-Jan)	18
Farmers' snow clearance	22
Standby, overtime, training and other costs	79
	638

8. Non-controllable variations Dr £46k

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.