

**Report to:** Environmental Services Scrutiny  
Committee

**Date:** 16<sup>th</sup> October 2012

**Report of:** Director of Environmental Services  
Director of Corporate Resources

**Report No:** ESSC/07/12

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**Report Title:** **Environmental Services – Financial and Performance Report 2012/13  
– Quarter One**

**Non Confidential:** This report does **not** contain information which warrants its consideration  
in the absence of the press or members of the public

**Purpose:** This report provides the Scrutiny Committee with information relating to  
the financial and performance quarter one position for the Environmental  
Services portfolio for the 2012/13 financial year.

**Recommendations:** It is recommended that the Scrutiny Committee:

- notes the financial and performance quarter one position of the  
Department

**Decision:**

**Background Doc(s):**

*(for use on Exec Rep)*

**Signed:**

\_\_\_\_\_  
Leader / Executive Cabinet  
Member

\_\_\_\_\_  
Monitoring Officer

**Date:**

\_\_\_\_\_  
This report does not require an equality impact assessment to be carried out due  
to being outside the high and medium relevance review requirements

**Summary:**

This report outlines the financial and performance quarter one position in respect of Environmental Services portfolio for the 2012/13 financial year.

**Key Issues****Performance :**

In line with the Community Strategy all performance targets are being met.

**Revenue Expenditure:**

Revenue expenditure is underspent against the budget by £142,000 after planned reserve movements.

The main variance is within Neighbourhood Services.

**Capital Expenditure:**

Capital expenditure projected for the year is currently shown at the full programme of £19.785m.

**Reserves:**

The Department has projected a general reserve of £214,000 for the end of the year.

**Efficiency targets:**

Budgeted efficiency savings for the department are £675,000.

All planned efficiencies are expected to be achieved.

**Risk:**

Specific areas of financial risk relate to loss of income due to the economic downturn, energy prices for street lighting and winter services.

## Quarter 1 April to June 2012

### Key Performance Findings

#### External Performance



34.17% of waste was diverted from landfill this quarter.



17 incidents reported of seriously injured or fatalities on the highway for the first three months of the calendar year.



Olympic torch came to Bolton and 15,000 people attended the evening event and approximately 100,000 lined the route.



To date 2,892 central management system units have been installed as part of the carbon reduction programme.

#### Internal Performance



88.18% of external phone calls answered within standard response time



90 requests under information regulations answered this quarter



Staff sickness is running at 4.6% this quarter well under the target of 6.25%



164 complaints received

## 1 Introduction

This report provides the Executive Cabinet Member with the financial and performance position relating to Environmental Services for quarter one of the 2012/13 financial year.

The information covers performance, financial information and risk for the department.

## 2 Background

The Bolton Vision Partnership agreed the current Community Strategy back in 2007. During the last four years, there has been a fundamental change with economic forecasts becoming more challenging, public sector funding being reduced and public services being reformed. In response, the approval of a refreshed Community Strategy, *Bolton: Our Vision 2012-15* has been agreed which develops a 'Bolton first' response to the new environment.

The commitment to **secure economic prosperity and narrowing the gap** remains and this will be achieved across six priority themes:

- Prosperous
- Health and well-being
- Children and young people
- Clean and green
- Safe
- Stronger

Linking with the above priorities Environmental Services have created departmental strategic priorities for 2012/13 followed on by Service Improvement Action Plans.

## 3 Strategic narrative

The Environmental Services Department continues to make a significant contribution to delivering the key priorities in Bolton's Community Strategy. Our specific strategic priorities for 2012/13 are:

- Delivering the Environmental Stewardship and Behaviour change programmes (within the wider Cleaner & Greener Partnership)
- Completing the Queen's Park Heritage Lottery Project
- Developing and implementing the Waste Minimisation and Recycling Initiatives
- Public Protection work (Environmental Health / Trading Standards/ Flood Management)
- Delivering the Town Centre Transport Strategy and the Southern Link Road
- Developing the Bolton Market Refurbishment Project
- Working with NHS Bolton on the 'Wellbeing' project at Bolton Market
- Strengthening the School Meals 'healthy eating' promotions
- Implementing the Bereavement Services Strategy
- Maximising New Income Opportunities
- Delivering our Savings and Efficiencies targets for 2012/13 onwards.

### 3.1 Progress Update

Within the Regulatory Services section a strategic priority is to strengthen the policies. In April, a statement of licensing policy was approved by full Council and a new enforcement policy was approved in June 2012.

The refreshed Community Strategy retains a clear focus on the clean and green theme. As part of the Behaviour Change Programme volunteers are being encouraged to participate in the Big Bolton Tidy Up. There is a target to reach 860 volunteers by 2015. For this quarter there have been 172.

An additional 6,000 recycling bins were distributed in low participation areas such as Rumworth, Farnworth, parts of Halliwell and Crompton after a door knocking campaign to improve participation. Recycling tonnages will be reviewed in future months to see the impact the strategy has had.

Work is on-going with regard to the Southern Link road with outlying agreement having been made for the acquisition of land.

## 4 Revenue expenditure

### 4.1 Revenue budget

The approved revenue budget for the department totals:

**Table One: Approved Revenue Budget 2012/13**

	<u>£'000</u>	<u>£'000</u>
<b>Original Approved Budget 2012/13</b>		<b>29,917</b>
Recharges 2012/13		3,246
<b>Original Managers Controllable Budget 2012/13</b>		<b>26,671</b>
Car Park Pass Budgets to Corporate Centre	-21	
0.5 post from Adults Services	10	
Allocation of overhead budget to Housing and Public Health	-2	
Cobden Centre to Community Centres	10	
Farnworth CCTV	1	
		-2
<b>Adjusted Managers Controllable Budget 2012/13</b>		<b>26,669</b>
Recharges 2012/13		3,246
<b>Adjusted Budget as at Quarter 1</b>		<b>29,915</b>

## 4.2 In year revenue changes

There have been five budget adjustments in the last quarter. Car Parking passes have been transferred to Corporate Centre. The other adjustments have been transferred to / from other departments.

## 4.3 Financial position – as at quarter one

Table Two below outlines the Environmental Services Department's financial position, as at 30<sup>th</sup> June 2012.

**Table two – financial position 2012/13 quarter one**

<u>Service</u>	<b>Net Budget</b>	<b>Projected Year End Position</b>	<b>Year End Variance</b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
<b>Standard Spending Accounts</b>			
Highways & Engineering	10,096	10,084	-12
Parking Services	0	0	0
Neighbourhood Services	8,939	8,839	-100
Waste	8,162	8,143	-19
Trade Waste	224	241	17
Civil Contingencies	282	282	0
Cemeteries & Crematoria	-220	-230	-10
Albert Halls	-34	-30	4
<b>Subtotal</b>	<b>27,449</b>	<b>27,329</b>	<b>-120</b>
<b>Trading Accounts</b>			
Building Cleaning	127	126	-1
School Meals	930	936	6
Transport	-182	-187	-5
Social Needs Transport	-27	-27	0
Supported Employment	73	73	0
Heaton Fold	0	15	15
Security Services	74	50	-24
Markets	-115	-116	-1
<b>Subtotal</b>	<b>880</b>	<b>870</b>	<b>-10</b>
<b>Overhead Accounts</b>			
Corporate & Democratic Core	86	86	0
Apportionable Overheads	85	73	-12
<b>Subtotal</b>	<b>171</b>	<b>159</b>	<b>-12</b>
Cross Departmental	1,415	1,415	0
<b>Net Budget</b>	<b>29,915</b>	<b>29,773</b>	<b>-142</b>

## **Variance analysis**

The overall financial position for the department amounts to a projected final outturn position of an underspend of £142,000 of the net budget.

### **4.3.1 Standard spending accounts**

The projected outturn position for the Standard Spending Accounts amounts to £120,000 less than the revenue budget. Outlined below is an explanation of the main variances.

#### Neighbourhood Services - £ 100,000

Neighbourhood services are currently carrying a number of vacancies.

### **4.3.2 Trading accounts**

The projected outturn position in relation to the trading accounts is an underspend of £10,000.

There are no major variances to report.

## **5 Saving and efficiency reductions**

In setting the Strategic Budget for the year, the department was required to implement £675,000 of saving and efficiency reductions.

Action has been taken to implement the reductions, and ongoing monitoring of expenditure against specific options has been incorporated into the financial monitoring.

Appendix A details the approved options and the year end position. 100% of the approved options are projected to be achieved.

## **6 Capital programme monitoring**

Appendices Bi and Bii outline the capital outturn position for the Department for 2012/13 at quarter one. Capital expenditure projected for the year is currently shown at the full programme of £19.785m. Progress made on schemes will be updated in future reports.

### **6.1 Highway programmes**

The highways capital programme for 2012/13 has an available budget of £12.284m comprising of £7.52m as approved in the strategic budget report and a further £4.764m of budget rolled forward from 2011/12 (Appendix Bi). Highways capital spend to date totals £0.496m.

The main area where budget has been rolled forward from 2011/12 is related to Transport Infrastructure funding, (£3.692m), part of which is earmarked for the Southern Link Road Scheme.

## 6.2 Other departmental programmes

The non-highways capital programme for 2012/13 has an available budget of £7.501m comprising of £2.685m as approved in the strategic budget report and a further £4.816m of budget rolled forward and new schemes added in year (Appendix Bii).

The main area where budget has been rolled forward from 2011/12 is £2.2m for the Queens Park refurbishment which has been phased over a number of years and is now entering its final stage. Also added to this programme in this year is a budget of £1.5m for acquisition of new fleet vehicles.

## 7 Reserve movements

**Table three –Reserves position 2012/13 financial year**

<b>SUMMARY OF RESERVE ACCOUNTS 2012/13</b>					
	<b>Name</b>	<b>As at 01/04/12</b>	<b>Outturn Movements</b>	<b>Projected Movements</b>	<b>As at 31/03/13</b>
Specific Reserves	Model Railway	-7			-7
	Graves in Perpetuity	-297			-297
	Moss Bank Pk Toilets	-1			-1
	Highways Works	-549		350	-199
	NCP CCTV sinking fund	-219			-219
	Marketing Campaign	-100			-100
	Queens Park match funding	-76		76	0
	Public Toilet decommissioning	-60			-60
	Mobile Working	-30			-30
	Catering - cashless systems	-10			-10
	Food in With Garden Waste	-155		155	0
	Parent Pay	-60		60	0
	Licensing	-43			-43
	Proceeds of Crime	-25			-25
	Regulatory Services	-127			-127
	School Meal Promo	-300		300	0
		-2,059	0	941	-1,118
General Reserve	General	-72	-142		-214
		-72	-142	0	-214
<b>Grand Total</b>		<b>-2,131</b>	<b>-142</b>	<b>941</b>	<b>-1,332</b>

Outlined above are the movements on the Department's reserves in the current year. The outturn movement's column represents the impact upon reserves of the projected outturn position shown at table two of the report.



The other movement's column represents:

- Utilisation of the Highways Works reserve
- Utilisation of the Food in with Garden Waste
- Utilisation of funding for School Meal Promotion
- Match funding for Queens Park
- Implementation of Parent Pay in Schools

## **8 Risk areas**

Areas of future financial risk that have not been reported elsewhere within this report are as follows:

### **8.1 Loss of income due to the economic downturn**

This is being felt across the Department, particularly impacting on:

- Highways Developers' income
- Road works, skips, scaffold licenses
- Trade waste income
- Reduction in external income as a result of the current financial climate
- Section 106

One of the main risks will be ensuring improvements in satisfaction whilst managing expectations in the current economic climate coupled with the efficiency agenda.

### **8.2 Trade Waste Income**

There have been a number of external contracts cancelled during the year that could lead to reduced actual income to be received. The service is looking at ways to mitigate the loss through reduction of costs.

### **8.3 Increases in energy costs**

Environmental Services has a potential risk if energy prices inflate more than anticipated during the financial year. Areas will be monitored each month with particular attention being made to street lighting.

### **8.4 Severe winter**

Winter 2012 was milder than in previous years. If a winter is severe Environmental Services have been aided by the corporate centre to balance the budget. This will be monitored through the revenue accounts.

## 8.5 Waste minimisation and recycling initiatives

The waste levy has the capability to place an ever increasing strain on the Council's budget, with rising landfill tax levys. The £23 million budget could spiral even higher if residents are not encouraged to recycle more and reduce their black bin waste quantities. Policies, reports and projects are being researched in order to address this issue.

## 8.6 Market 2014

There is a potential risk to business continuity for the Market with the proposed redevelopment project expected to start early 2013. The impact of this will become clearer during the last quarter of the year and where possible the Market service is working to mitigate the impact.

## 9 Performance

### 9.1 Departmental context

Within the refreshed Community Strategy there are clear priorities which the department can contribute to, such as economic prosperity and narrowing the gap.

Creating a cleaner, greener and more sustainable town is important to make Bolton attractive and a place where people want to live and businesses to invest. Local people care about the condition of the borough and despite challenges and reduced resources keeping Bolton clean and green is key.

Securing economic prosperity and developments play an important role in the economic strategy. The transport strategy and Bolton Market redevelopment contribute to the success of this.

### 9.2 Key performance and service updates

#### 9.2.1 Waste and Fleet

Reducing the waste sent to landfill and increasing recycling continues to play an essential role in the clean and green theme, as it helps to reduce our carbon footprint, improve cleanliness and reduce costs by avoiding expensive landfill charges.

**Table Four – Waste diverted from landfill**

	2011/12				2012/13
PI's	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
Waste diverted	33.20%	31.10%	30.70%	27.10%	34.17%
Household waste in kg	150.09kg	148.9kg	138.54kg	143.12kg	142.83kg

The actual amount of waste diverted from landfill this quarter is 34.17%, compared to 27.1% for the last quarter.

The cumulative baseline for 2010/11 is 28.21% and we are committed to increasing the recycling rate to 33% by 2014/15. Based on performance this quarter, the target is achievable.

In addition, the amount of residual waste per household for quarter 1 has reduced to 142.83kg compared with 143.12kg in quarter 4 of last year.

We have seen a 2% increase in our recycling rate after rolling out food recycling to households that already had green waste collections. We intend to build on this further throughout the year.

Within the Fleet division, a contingency fuel contract has been secured, allowing services to continue should an emergency occur.

A post qualification questionnaire has been completed and submitted for the Bolton at Home tender. In the next couple of months the fleet service will find out if they have been shortlisted to provide a full tender.

### **9.2.2 Neighbourhood Services**

A new measure of cleanliness across the borough was introduced last year. This looks at environmental quality in relation to litter, detritus, weed growth, shrub maintenance and grass cutting. Three surveys are planned per year that will cover the borough. The first survey is not due to be completed until July; therefore the results will be shown in quarter 2.

Within the quarter there have been 2 new or improved play areas at Ainsworth Avenue and Ashford Walk. The programme is well placed to meet the cleaner, greener strategy target of 4 per year until 2015.

The Springwatch event in the middle of May attracted an attendance of 2,000. The Olympic torch relay and evening celebration concert in Queens Park attracted over 10,000 people and a further 5,000 people attended the celebrations in Victoria Square.

### **9.2.3 Highways and Engineering**

New developments are important to Bolton's long term economic strategy. A revised Transport Strategy Policy has been approved during the first quarter which will steer any new developments in the Highways infrastructure.

Highways have commented and provided feedback to TfGM on highways proposals linked to the new Interchange.

**Table five – Killed seriously injured**

Year Cumulative Figure from January	Fatal	Serious	KSI	Child KSI	Slight Casualty
Jan - Mar 2012 (provisional)	3	14	17	2	175
Jan - Mar 2011	5	13	18	2	146
Jan - Mar 2010	3	12	15	6	163

Table five shows the statistics for the Killed Seriously Injured (KSI) for the calendar year, January to March. The provisional number of KSIs has fallen compared to the same period last year. However, the slight casualty figures have risen by 20%.

#### **9.2.4 Finance and Business Development**

During May the Emergency Control Centre was activated and supported by the section for the Olympic torch event. The event attracted a large amount of attention and proved very successful.

#### **9.2.5 Community Services**

##### **9.2.5.1 Bereavement Services**

During this financial year work to fit abatement equipment at the crematorium will be completed and work is planned to update the West Chapel.

At the moment activities for burials and cremations are average compared to previous years and will be monitored.

##### **9.2.5.2 School Meals**

School Meals play an important part in the health and well-being and children themes of the Community Strategy.

The increase of the school meal promotion from £1 to £1.25 has not adversely affected the take up helping to promote healthy eating. At the end of June 2012 take up stood at 61.3%

##### **9.2.5.3 Markets**

Letting income is slightly up compared to the same quarter last year despite the difficult economic trading conditions.

During the quarter, various events have taken place. “Love your local markets” took place in Bolton, Westhoughton and Farnworth. The monthly local produce market was re-launched in May and re-located in Queens Park. Westhoughton’s local produce market continues monthly.

## 10 Internal business performance

### 10.1 Sickness absence

**Table six – Sickness statistics**

Division	Qtr 1
Community Services	4.5
DMT	0.0
Finance & Business Development	4.1
Highways & Engineering	5.0
Neighbourhood Services	3.4
Waste & Fleet Management	6.4
<b>2012/13 Total</b>	<b>4.6</b>
<b>2011/12 Total</b>	<b>3.9</b>

This quarter’s sickness absence performance is running at 4.6%. The same period for 11/12 was 3.9%. Although there has been an increase, the performance is below the departmental target of 6.25%.

### 10.2 Complaints

During quarter 1 the department received 164 complaints which were recorded within the Council’s corporate complaints system.

Due to the implementation of a new IT system the statistics are not available at this time to report the number of complaints answered in standard.

The department has received 2 compliments this quarter, one for Waste and the other for Neighbourhood Services.

### 10.3 Telephony

Appendix C shows the external and internal telephone calls for the quarter comparing with each quarter of 2011/12. 88.18% of external calls were answered in 30 seconds and 7.61% were lost. 84.55% of internal calls were answered within standard which is a slight reduction from the previous quarter. Work is being undertaken to reduce the level of lost calls.

#### **10.4 Freedom of information and environmental information regulation requests**

We received 90 freedom of information requests for quarter 1. 67 of these were for the department and the other 23 were cross cutting across the Council.

#### **11 Conclusions and recommendations**

This report has provided information relating to the projected financial and performance as at quarter one for the Environmental Services portfolio for the 2012/13 financial year. It is recommended that the Executive Cabinet Member:

- notes the financial and performance position of the Department as at Quarter One

**ENVIRONMENTAL SERVICES**  
**Efficiency Options for 2012/13**

<b>Savings and Efficiency</b>	<b>Type</b>	<b>Total Savings 12-13 '000s</b>	<b>Substitution £000's</b>	<b>Achieved £000's</b>	<b>Variance £000's</b>
Neighbourhood Services b/f	E	300		300	0
Fleet Management Service Restructure	E	25		25	0
Policy and Performance Review	E	120		120	0
Community Services Income Generation	I	35		35	0
Cash Limited Budget Savings	E	170		170	0
Albert Halls	E	25		25	0
<b>Total Strategic Redirections</b>		<b>675</b>	<b>0</b>	<b>675</b>	<b>0</b>

**Environmental Services – Highways****Capital Programme 2012/13 (Month 3)**

Project Name	Current Programme (including 11-12 Roll Forward)	Total Actual	Variance +ve (u/spend) -ve (o/spend)
-	£'000	£'000	£'000
<b><u>LTP</u></b>	4		4
Minor Works	124		124
Local Road Safety	68	4	64
Highway Maintenance (PRN)	2,650	69	2,581
Street Lighting	211	1	210
Bridges & Structures	1,200	196	1,004
<b>Sub Total LTP</b>	<b>4,257</b>	<b>271</b>	<b>3,986</b>
<b><u>Non LTP</u></b>			
Street Lighting Replacement	890		890
Illuminated Bollards & Signs - Energy/ Carbon Reduction	66		66
Street Lighting Energy / Carbon Reduction	108		107
Street Lighting Carbon Investment Project	1,463	151	1,277
Installation of Capacitors	45		45
Water Asset Management	9		9
Business Support Systems	32		32
Public Rights of Way	16	3	9
Congestion	5		5
Severe Weather/Highway Investment	1,050	54	989
Highway Drainage imps to prevent ironwork theft	71		71
Flood Defence	75		75
Surface Water Run Off / Highway Drainage Imp	140		140
Roadside Memorials	2		0
Pitt Review	15		15
Safety Barrier Replacement Programme	40		40
<b>Sub Total Non LTP</b>	<b>4,027</b>	<b>208</b>	<b>3,770</b>
<b>Sub Total</b>	<b>8,284</b>	<b>479</b>	<b>7,756</b>
Transport Infrastructure Fund (funding inc PTE)	3,692	17	3,412
Other Capital (inc Ravenden Clough Culvert) - Corporate	308		308
<b>Highways Total</b>	<b>12,284</b>	<b>496</b>	<b>11,475</b>



**Environmental Services - Non Highways**

**Capital Programme 2012/13 (month 3)**

Project Name	Current Programme 12/13	Cumulative Actual Spend 12/13	Variance
			+ve (u/spend) -ve (o/spend)
	£000	£000	£000
<b>Parking Services</b>			
Car Park Infrastructure Improvements	185	1	184
<b>Environmental Management</b>			
Heritage	3,420	75	3,345
Play	220	-7	227
Potters Hill	65	0	65
Local Nature Reserve	117	10	107
Furniture	62	0	62
<b>Waste Management</b>			
Recycling	184	57	127
Food Waste in with Garden Roll Out	23	19	4
Increase Recycling Partipation (New Bins)	346	84	262
<b>Cemeteries &amp; Crematoria</b>			
Heaton Cemetery Extension	292	73	219
Overdale Crematorium	409	-54	463
Graves In Perpetuity	58	0	58
<b>Transport</b>			
New Waste Vehicles	159	129	30
New Waste Vehicles 12-13	1,572	278	1,294
<b>Markets</b>			
Ashburner Street Market	191	28	163
<b>Environmental Services Departmental</b>			
ICT	68	4	64
Property	75	0	75
Regulatory Services ICT	55	0	55
<b>TOTAL</b>	<b>7,501</b>	<b>697</b>	<b>6,804</b>

Telephone statistics

External Telephone Calls 2011/12					
	Total calls received	Total answered in 30 seconds	% answered in 30 seconds	Lost calls (unanswered)	% of lost calls
Qtr 1	42,287	38,093	90.08%	2,935	6.94%
Qtr 2	40,241	36,066	89.63%	2,776	6.90%
Qtr 3	40,008	35,926	89.80%	2,745	6.86%
Qtr 4	43,554	39,087	89.74%	2,809	6.45%

External Telephone Calls 2012/13					
	Total calls received	Total answered in 30 seconds	% answered in 30 seconds	Lost calls (unanswered)	% of lost calls
Qtr 1	42,480	37,459	88.18%	3,231	7.61%
Qtr 2					
Qtr 3					
Qtr 4					

Internal Telephone Calls 2011/12					
	Total calls received	Total answered in 30 seconds	% answered in 30 seconds	Lost calls (unanswered)	% of lost calls
Qtr 1	30,302	25,612	84.52%	3,253	10.74%
Qtr 2	28,854	24,393	84.54%	3,133	10.86%
Qtr 3	27,950	23,431	83.83%	3,157	11.30%
Qtr 4	29,480	24,985	84.75%	3,201	10.86%

Internal Telephone Calls 2012/13					
	Total calls received	Total answered in 30 seconds	% answered in 30 seconds	Lost calls (unanswered)	% of lost calls
Qtr 1	26,019	22,000	84.55%	2,812	10.81%
Qtr 2					
Qtr 3					
Qtr 4					