

<b>Title of Report:</b>	<b>Period 6 ES Management Accounts and Financial Positions 2024/25</b>
<b>Committee Report Submitted To:</b>	<b>Environmental Services Committee</b>
<b>Date of Meeting:</b>	<b>12<sup>th</sup> November 2024</b>
<b>For Decision or For Information</b>	<b>For Information</b>
<b>To be discussed In Committee YES/NO</b>	<b>NO</b>

<b>Linkage to Council Strategy (2021-25)</b>	
Strategic Theme	Leader and Champion
Outcome	Provide Civic Leadership
Lead Officer	Director of Environmental Services

<b>Budgetary Considerations</b>	
Cost of Proposal	N/A
Included in Current Year Estimates	<b>YES/NO</b>
Capital/Revenue	Revenue
Code	
Staffing Costs	

<b>Legal Considerations</b>	
Input of Legal Services Required	<b>YES/NO</b>
Legal Opinion Obtained	<b>YES/NO</b>

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

## 1.0 Purpose of Report

The purpose of this report to provide Members with information on the current financial position of Environmental Services Directorate at the end of Period 6.

## 2.0 Background

Council has approved the annual budget for Environmental Service and delegated authority to officers to utilise this budget in the provision of services to the rate payers. ES budget for 2024/25 is **£ 30,851,687.59**. This is based on expenditure budget of **£36,559,317.45** and income budget of **£5,707,629.86**

The Environmental Services position at Period 6 shows a **£170,045.38 (P5 - £59,333.19) adverse variance**. This includes predicted increases in employee costs based on the proposed National Pay Award.

The main costs and income attributing to the ES P6 position are summarised as follows as variances against budget.

- Employee costs are £305k positive
- Premises costs are £236k adverse
- Transport Costs are £147k adverse – Fuel (-22k), Mileage Claims (-22k), Repairs, Service and maintenance – (-82k)
- Supplies and Services are £96k adverse
- Contract Payments are £290k positive – Landfill Tax (£360k)
- Income is £265k adverse – Car Parks (-£189k), Landfill (-£395k), Building Control (£218k)

Head of Service Description	Actual Net Spend 2025	2025 Budget YTD	2025 Budget Variance	Sum of Annual Budget 2025
Estates	3,565,139.46	3,276,991.20	(288,148.26)	6,380,661.18
HBE	1,077,072.96	1,388,877.02	311,804.06	2,755,046.60
Infrastructure	(285,477.82)	(336,277.39)	(50,799.57)	(224,227.65)
Operations	10,586,179.92	10,415,117.65	(171,062.27)	21,021,064.62
ES Business Support	358,452.59	383,353.90	24,901.31	766,866.40
Env. Services CM	68,460.19	71,719.54	3,259.35	152,276.44
Total ES Position			(170,045.38)	30,851,687.59

### Estates.

P6 Actual Expenditure	P6 Budget Expenditure	P6 Actual Income	P6 Budget Income	Net Expenditure Variance
3,667,647.81	3,416,398.40	(102,508.35)	(139,407.20)	(288,148.26)

£288k adverse mainly due to increased material costs. Employee costs is positive by £246k and Income is adverse by £37k.

Health and Built Environment.

P6 Actual Expenditure	P6 Budget Expenditure	P6 Actual Income	P6 Budget Income	Net Expenditure Variance
2,141,812.65	2,163,518.16	(1,064,739.69)	(774,641.14)	<b>311,804.06</b>

£312k positive. Employee costs are £128k positive. Fee Income is favourable by £290k including £218k from Building Control.

Infrastructure.

P6 Actual Expenditure	P6 Budget Expenditure	P6 Actual Income	P6 Budget Income	Net Expenditure Variance
990,564.43	1,088,915.79	(1,276,042.25)	(1,425,193.18)	<b>(50,799.57)</b>

£51k adverse. Car park income £189k adverse. Employee costs are £109k favourable.

Operations.

P6 Actual Expenditure	P6 Budget Expenditure	P6 Actual Income	P6 Budget Income	Net Expenditure Variance
11,302,126.56	11,521,651.50	(715,946.64)	(1,106,533.85)	<b>(171,062.27)</b>

£171k adverse variance in Period 6. Employee costs are £181k adverse. A breakdown of the Variances are as follows

Function	Variance	Comments
Waste Collection & Street Cleansing	£20k Adverse	Employee cost increase.
Landfill & Compost Site	£296k Adverse	Due to reduction in 3 <sup>rd</sup> party income
HRC's	£79k Adverse	Employee cost increase.
Waste Disposal Contracts	£295k Favourable <ul style="list-style-type: none"> <li>o Black Bin Contract - £327k (fav)</li> <li>o Blue Bin Contract - £130k (fav)</li> <li>o Brown Bin Contract £166k (adv)</li> <li>o Other Waste Contracts - £4k (fav)</li> </ul>	Variations on predicted tonnages due to extended opening of Craigahulliar for Council waste only and lower price for the recycling (blue bin) contract
Transfer Stations & Depots	£28k Favourable	On target

Public Conveniences	£1k Adverse	On target
Ops Management	£6k Adverse	On target

ES Business Support.

£25k positive - on target

ES Centrally Managed.

£3k positive variance – on target

**3.0 In-year Savings**

Officers have and will continue to manage and scrutinise the budget to identify opportunities for reducing expenditure and increasing income in order to get back on budget. However at Period 6, due to loss of income from car parks and 3<sup>rd</sup> party waste, but offset by increased income from Building Control, ES financial position has an adverse variance of **£170,045.38**.

**4.0 Summary of Capital Expenditure – P6 (April – Sept 2024)**

Month/Year	Agenda Item No.	Fleet/Project	Amount
April 2024	6	Operations Fleet, Plant and Equipment Renewal 2024-25	c.£1,555,750
April 2024	17	Harbours & Marinas Capital Infrastructure works to “Old Slipway, Portrush Harbour” Consideration to Progression to Stage 3 – Construction Phase	<b>Option 1, “the required works”:-</b> <i>Most Economically advageous tenderer:-</i> <b>£68, 700.00 + VAT</b>  <i>Contingency Sum of 15%,</i> <i>(£10, 305.00) being applied, with a resultant capital project delivery sum of</i> <b>£79, 005.00</b>
April 2024	19	(To note) Cost of Purchasing Pay & Display Machines	£79,500.00
May 2024	7	Purchase of Operations Replacement Vehicle	£19,275

June 2024	21	Estates Fleet Renewal 2024/2025	£ 447,300
September 2024	23	Festive Lights Upgrades & Repairs	£60,081.20
<b>Total</b>			<b>£2,240,911.20</b>

## **5.0 Recommendation**

Members are requested to note the paper.