

<b>Title of Report:</b>	<b>Period 7 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>10<sup>th</sup> December 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 7.

## 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 7 shows a **£66,686.51 positive variance (P5 - £170,045.38 adverse variance)**.

The main costs and income attributing to the ES P7 position are summarised as follows as variances against budget.

- Employee costs are £404k positive
- Premises costs are £287k adverse
- Transport Costs are £201k adverse – Fuel (-15k), Mileage Claims (-30k), Repairs, Service and maintenance – (-126k)
- Supplies and Services are £18k favourable
- Contract Payments are £401k positive – Landfill Tax (£360k)
- Income is £159k adverse – Car Parks (-£184k), Landfill (-£394k), Building Control (£261k)

Head of Service	Actual Net Expenditure	Budgeted Net Expenditure	Net Expenditure Variance	Annual Budgeted Net Expenditure	Remaining Net Expenditure
Estates	4,162,571.29	3,811,557.95	(351,013.34)	6,380,661.18	2,218,089.89
Health and Built Environment	1,270,835.12	1,622,532.81	351,697.69	2,755,046.60	1,484,211.48
Infrastructure	(487,959.68)	(491,282.72)	(3,323.04)	(224,227.65)	263,732.03
Operations	11,972,734.66	12,009,712.12	36,977.46	21,021,064.62	9,048,329.96
ES Business Support	418,564.96	446,989.82	28,424.86	766,866.40	348,301.44
Environmental Services Centrally Managed	79,860.64	83,783.52	3,922.88	152,276.44	72,415.80
	<b>17,416,606.99</b>	<b>17,483,293.50</b>	<b>66,686.51</b>	<b>30,851,687.59</b>	<b>13,435,080.60</b>

### Estates.

P7 Actual Expenditure	P7 Budget Expenditure	P7 Actual Income	P7 Budget Income	Net Expenditure Variance
4,329,597.80	3,974,834.21	(167,026.51)	(163,276.26)	<b>(351,013.34)</b>

£351k adverse mainly due to increased material costs. Employee costs is positive by £294k and Income is favourable by £3k.

### Health and Built Environment.

P7 Actual Expenditure	P7 Budget Expenditure	P7 Actual Income	P7 Budget Income	Net Expenditure Variance
2,472,713.83	2,493,343.07	(1,201,878.71)	(870,810.26)	<b>351,697.69</b>

£352k positive. Employee costs are £130k positive. Fee Income is favourable by £331k including £261k from Building Control.

### Infrastructure.

P7 Actual Expenditure	P7 Budget Expenditure	P7 Actual Income	P7 Budget Income	Net Expenditure Variance
1,050,940.13	1,216,007.37	(1,538,899.81)	(1,707,290.09)	<b>(3,323.04)</b>

£3k adverse. Car park income £184k adverse. Employee costs are £121k favourable.

### Operations.

P7 Actual Expenditure	P7 Budget Expenditure	P7 Actual Income	P7 Budget Income	Net Expenditure Variance
12,737,396.64	13,125,579.91	(764,661.98)	(1,115,867.79)	<b>36,977.46</b>

£37k favourable variance in Period 7. Employee costs are £144k adverse. A breakdown of the Variances are as follows

Function	Variance	Comments
Waste Collection & Street Cleansing	£24k Adverse	Employee cost increase.
Landfill & Compost Site	£193k Adverse	Due to reduction in 3 <sup>rd</sup> party income
HRC's	£56k Adverse	Employee cost increase.
Waste Disposal Contracts	£453k Favourable <ul style="list-style-type: none"> <li>○ Black Bin Contract - £451k (fav)</li> <li>○ Blue Bin Contract - £127k (fav)</li> <li>○ Brown Bin Contract £130k (adv)</li> <li>○ Other Waste Contracts - £6k (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	£20k Favourable	On target
Public Conveniences	£1k Adverse	On target

Ops Management	£16k Adverse	On target
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ES Business Support.

£28k positive - on target

ES Centrally Managed.

£4k positive variance – on target

### 3.2 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 7, 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 **£66,686.51**.

### 4.0 Capital Expenditure

The tables below set out the capital expenditure that has been approved through Council thus far for the 2024/25 Financial Year:

#### Environmental Services

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 <b>£79, 005.00</b></i>
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	£124,040
November 2024	20	Air Quality Monitoring Equipment	£42,735
November 2024	22	Limavady Council Offices Fire Alarm	£76,017
November 2024	23	Castlerock Footbridge	£678,996
<b>Total</b>			<b>£3,102,618</b>

## **5.0 Recommendation**

Members are requested to note the paper.