

<b>Title of Report:</b>	<b>Period 3 ES Management Accounts and Financial Positions 2025/26</b>
<b>Committee Report Submitted To:</b>	<b>Environmental Services Committee</b>
<b>Date of Meeting:</b>	<b>9<sup>th</sup> September 2025</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>Estimated Timescale for Completion</b>	
Date to be Completed	

<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 3.

## 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 2025/26 is **£32,689,479.07**. This is based on expenditure budget of **£39,511,868.06** and income budget of **£6,822,388.99**.

The Environmental Services position at Period 3 shows a **£63,260.62 adverse variance** (P2 was a £65k favourable variance).

The main costs and income attributing to the ES P3 position are summarised as follows as variances against budget.

- Employee costs are £79k favourable
- Premises costs are £46k adverse
- Transport Costs are £99k favourable
- Supplies and Services are £145k adverse
- Third Party Payments are £30k favourable
- Income is £63k adverse

Head of Service	Actual Net Expenditure	Budgeted Net Expenditure	Net Expenditure Variance	Annual Budgeted Net Expenditure	Remaining Net Expenditure
Estates	2,037,099.71	1,769,232.53	(267,867.18)	7,651,860.02	5,614,760.31
Health and Built Environment	646,589.75	671,712.59	25,122.84	2,672,847.00	2,026,257.25
Infrastructure	(221,661.32)	(153,659.87)	68,001.45	(66,593.79)	155,067.53
Operations	4,828,597.95	4,957,199.11	128,601.16	21,544,580.48	16,715,982.53
ES Business Support	193,144.24	178,326.91	(14,817.33)	733,302.20	540,157.96
Environmental Services Centra	36,222.03	33,920.47	(2,301.56)	153,483.16	117,261.13
	7,519,992.36	7,456,731.74	(63,260.62)	32,689,479.07	25,169,486.71

### Estates.

P3 Actual Expenditure	P3 Budget Expenditure	P3 Actual Income	P3 Budget Income	Net Expenditure Variance
2,085,495.56	1,840,180.07	(48,395.85)	(70,947.54)	(267,867.18)

£268k adverse, with an overspend of £245k in expenses and a shortfall in income of £23k. Supplies and Services are adverse by £166k, Premises are

adverse by £89k and Employee costs are adverse by £39k. Transport related cost are £49k favourable.

### Health and Built Environment.

P3 Actual Expenditure	P3 Budget Expenditure	P3 Actual Income	P3 Budget Income	Net Expenditure Variance
1,107,775.90	1,161,578.40	(461,186.15)	(489,865.81)	25,122.84

£25k positive. Employee costs are £107k positive due to unfilled posts, especially in Building Control. The recruitment process is underway. Fee Income is adverse by £29k including a shortage of £79k from Building Control, with over-budget income in Licensing & Emergency Planning (£27k), HBE Gen Mgmt (£15k).

### Infrastructure.

P3 Actual Expenditure	P3 Budget Expenditure	P3 Actual Income	P3 Budget Income	Net Expenditure Variance
572,820.53	696,247.22	(794,481.85)	(849,907.09)	68,001.45

£68k positive. Total income is £55k adverse. Car park income £4k favourable. Harbour Income is adverse by £59k. Employee costs are £183k favourable.

### Operations.

P3 Actual Expenditure	P3 Budget Expenditure	P3 Actual Income	P3 Budget Income	Net Expenditure Variance
5,357,228.16	5,441,380.48	(528,630.21)	(484,181.37)	128,601.16

£129k favourable variance in at end of Period 3. Employee costs are £60k adverse. A breakdown of the variances is as follows:

Function	Variance	Comments
Waste Collection & Street Cleansing	£20k favourable	£5k adverse on labour costs, £26k favourable on all other costs, especially vehicle-related costs.
Landfill & Compost Site	£16k favourable	Low expenditure in Craigahulliar, particularly in electricity
HRCs	£3k favourable	Labour is over by £4k due to OT. Some savings on vehicle-related costs, eg servicing.

Waste Disposal Contracts	£122k Favourable <ul style="list-style-type: none"> <li>o Black Bin Contract - £85k (fav)</li> <li>o Blue Bin Contract - £38k (fav)</li> <li>o Brown Bin Contract £0k – on target</li> <li>o Other Waste Contracts - £7k (fav)</li> </ul>	All residual waste is going to contract now since Craigahulliar closed. There is an element of seasonality in relation to the favourable position in P3 which will be monitored closely in the coming months.
Transfer Stations & Depots	£35k Favourable	Loughanhill depot is over by £21k (inc. £13k over plan on Protective Clothing) while the others are under, eg £15k under in Ballyquin.
Public Conveniences	£29k Adverse	£13k over budget on electricity, £12k over on agency costs. Some smaller items too.
Garages	£10k Favourable	Labour savings partly offset by increases in vehicle parts and tools
Ops Management	£31k Adverse	All labour – sick pay (£11k), OT (£10k) and Employer's NIC (£10k)

#### ES Business Support.

£15k adverse – agency costs to cover sickness

#### ES Centrally Managed.

£2k 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. At the end of Period 3, ES financial position has an adverse variance of **£63,260.62**.

### **4.0 Capital Expenditure**

The table below sets out the capital expenditure that has been approved through Council thus far for the 2025/26 Financial Year:

Environmental Services

Month/Year	Agenda Item No.	Fleet/Project	Amount
April 2025	19	Repair Works to Portstewart Harbour Breakwater	c. £35,838
May 2025	6	Operations and Estates fleet, plant and renewal programme for 2025-26.	£2,174,000
June 2025	16	Generator for Emergency Control Centre	c. £23,811
June 2025	17	Festive Light Upgrades and Repairs 2025	c. £92,222.24
<b>Total</b>			<b>£2,325,871.24</b>

## **5.0 Recommendation**

Members are requested to note the paper.