

**OUTCOME 7 - ENVIRONMENT, PROPERTY AND COMMERCIAL SERVICES (EPCS) PROJECTED OUTTURN 2014/15 - KEY AREAS - 1st REVIEW**

|                                                                                                         | Expenditure Budget 2014/15 | Income Budget 2014/15 | Net Budget 2014/15 | Expenditure Projected Outturn 2014/15 | Income Projected Outturn 2014/15 | Net Projected Outturn 2014/15 | Expenditure Projected Outturn Variance 2014/15 | Income Projected Outturn Variance 2014/15 | Projected Outturn Variance 2014/15 | RAG rating | Variance Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |
|---------------------------------------------------------------------------------------------------------|----------------------------|-----------------------|--------------------|---------------------------------------|----------------------------------|-------------------------------|------------------------------------------------|-------------------------------------------|------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|                                                                                                         | £                          | £                     | £                  | £                                     | £                                | £                             | £                                              | £                                         | £                                  |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |
| Streetscene Services (includes Area Care / Waste Collection, Highways Maintenance / Parks / Allotments) | 9,276,900                  | (3,295,900)           | 5,981,000          | 8,426,900                             | (2,445,900)                      | 5,981,000                     | (850,000)                                      | 850,000                                   | 0                                  | GREEN      | There is a reduction in income against budget from capital scheme works, but this has been fully offset by a reduction in labour, materials, and hired and contracted services. The projected outturn also assumes that the current level of capital funding for responsive Highways Maintenance for 2014/15 continues as part of the Capital Programme Review.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |
| Winter Maintenance                                                                                      | 261,400                    | (29,900)              | 231,500            | 261,400                               | (29,900)                         | 231,500                       | 0                                              | 0                                         | 0                                  | AMBER      | Contingency backed budget with any surplus/deficit being treated corporately. An update on this budget will be provided in the next outturn report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |
| Cargo Fleet Depot                                                                                       | 286,600                    | 0                     | 286,600            | 359,400                               | 0                                | 359,400                       | 72,800                                         | 0                                         | 72,800                             | AMBER      | £35,000 of this pressure relates to security costs. Installation of CCTV and fencing will be completed by mid July 2014 therefore removing this element of the pressure in future years. The Service will seek to further reduce expenditure on other areas to attempt to remove the remaining pressure.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |
| Sport & Leisure (including Sports Development)                                                          | 3,628,100                  | (3,102,100)           | 526,000            | 3,519,100                             | (2,993,100)                      | 526,000                       | (109,000)                                      | 109,000                                   | 0                                  | AMBER      | There is an overall pressure of £64,000 for this budget. This is due to the underachievement of the budget saving which is shown on the budget savings sheet. There are income pressures, mainly due to the effect of major refurbishment works currently taking place at Rainbow Leisure Centre and income pressures at Clairville Gym due to reduced memberships as a result of the impending closure of Clairville. The service are looking into ways of reducing this income pressure across the service throughout the year. There are however expenditure savings on staffing (mainly savings on casual/temporary staff) and cutbacks in spend on supplies and services (linked to income pressures). Note that for now Sports development is included within this projected outturn pending further discussion as to which elements of the service will transfer to Outcome 3 - Improving Public Health. |  |
| Fleet Services                                                                                          | 1,473,900                  | (383,000)             | 1,090,900          | 1,613,000                             | (486,000)                        | 1,127,000                     | 139,100                                        | (103,000)                                 | 36,100                             | AMBER      | Expenditure pressure is mainly due to expenditure above budget on parts. This has been offset partly by increased income. New and replacement vehicles funded from the Capital Programme may help to decrease the pressure on parts and also further decrease external vehicle hire costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |
| Crematorium & Cemeteries                                                                                | 599,700                    | (1,900,000)           | (1,300,300)        | 599,700                               | (2,050,000)                      | (1,450,300)                   | 0                                              | (150,000)                                 | (150,000)                          | GREEN      | There is an income surplus of £130,000 due to the lost income relating to the new crematorium at Yearby not being as high as previously forecast (assumed a loss of 1,150 cremations but only 950 cremations now predicted to be lost). Whilst the new crematorium opened in January 2014 it is not yet operating to its full potential and the surrounding infrastructure is not yet fully in place. The position will be closely monitored for the rest of 2014/15. There is also a projected £20,000 increase in income due to a predicted increase in the number of burials. A £100,000 saving has been put forward for this area as part of the proposed 2015/16 budget savings.                                                                                                                                                                                                                           |  |
| Waste Disposal & Contracts (excludes Tees Valley holding accounts)                                      | 4,197,700                  | (496,700)             | 3,701,000          | 4,124,700                             | (496,700)                        | 3,628,000                     | (73,000)                                       | 0                                         | (73,000)                           | GREEN      | General waste tonnages continue to decrease and recyclable waste tonnages increase. There are however increased costs predicted for the disposal of Green Waste due to increased tonnages collected. The full implementation of the new collection arrangements is still in its early stages and the tonnage figures will be closely monitored as the year progresses. The saving may increase as the year progresses. The disposal arrangements will also be reviewed as the year progresses. A saving has been put forward for this area as part of the proposed 2015/16 budget savings.                                                                                                                                                                                                                                                                                                                      |  |
| Property Services ex Environment areas (includes Building Cleaning, Security and Building Maintenance)  | 5,368,600                  | (3,523,100)           | 1,845,500          | 5,406,700                             | (3,554,300)                      | 1,852,400                     | 38,100                                         | (31,200)                                  | 6,900                              | GREEN      | A small net pressure currently exists. It is still early in the year to accurately predict the outturn position and this situation may improve as the year progresses if the budget savings sheet.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |

|                                                                                                                                                                     | Expenditure Budget 2014/15 | Income Budget 2014/15 | Net Budget 2014/15 | Expenditure Projected Outturn 2014/15 | Income Projected Outturn 2014/15 | Net Projected Outturn 2014/15 | Expenditure Projected Outturn Variance 2014/15 | Income Projected Outturn Variance 2014/15 | Projected Outturn Variance 2014/15 | RAG rating | Variance Explanation                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------|--------------------|---------------------------------------|----------------------------------|-------------------------------|------------------------------------------------|-------------------------------------------|------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                     | £                          | £                     | £                  | £                                     | £                                | £                             | £                                              | £                                         | £                                  |            |                                                                                                                                                                                                                                                                                                                                                                                                          |
| Property Services ex Regeneration areas (includes Asset Management, running costs and commercial properties) (Martin Shepherd) DOES NOT INCLUDE VALUATION & ESTATES | 5,599,800                  | (2,993,000)           | 2,606,800          | 5,610,100                             | (3,007,800)                      | 2,602,300                     | 10,300                                         | (14,800)                                  | (4,500)                            | AMBER      | Includes £26,000 savings on supplies and services for Asset Management, running cost savings of £35,000, and Commercial Property over recovery of income of £14,000. It needs to be determined whether these savings will be ongoing in the future and can help to meet the gap in achieving the required budget savings for Property Services / Building Cleaning as shown on the budget savings sheet. |
| Architects                                                                                                                                                          | 440,000                    | (546,500)             | (106,500)          | 390,000                               | (496,500)                        | (106,500)                     | (50,000)                                       | 50,000                                    | 0                                  | GREEN      | Projected pressure on fee income offset by savings on agency staff costs. It is still early in the year to accurately predict the outturn position and this situation may improve as the year progresses if further work is obtained.                                                                                                                                                                    |
|                                                                                                                                                                     |                            |                       |                    |                                       |                                  | 0                             |                                                |                                           |                                    |            |                                                                                                                                                                                                                                                                                                                                                                                                          |
| Education Catering                                                                                                                                                  | 4,866,800                  | (5,165,700)           | (298,900)          | 5,120,600                             | (5,469,600)                      | (349,000)                     | 253,800                                        | (303,900)                                 | (50,100)                           | GREEN      | Increased income offset by associated expenditure, due to new funding received for free school meals for 4, 5 and 6 year olds. The saving at year end will depend on the actual take up of school meals as the funding calculation assumes a level of take up of school meals.                                                                                                                           |
| Ayresome Industries                                                                                                                                                 | 584,500                    | (504,300)             | 80,200             | 570,300                               | (490,100)                        | 80,200                        | (14,200)                                       | 14,200                                    | 0                                  | AMBER      | Income from sales is currently below budget but this could improve as the year progresses. This is offset by savings in supplies and services. Due to the new service provision at Ayresome being implemented half way through 2013/14 it is still early to provide an accurate position, but it should be possible to more accurately predict this in the next outturn report.                          |
|                                                                                                                                                                     |                            |                       |                    |                                       |                                  |                               |                                                |                                           |                                    |            |                                                                                                                                                                                                                                                                                                                                                                                                          |
| Vacancies                                                                                                                                                           | 0                          | 0                     | 0                  |                                       | 0                                | 0                             | 0                                              | 0                                         | 0                                  | GREEN      | There are no additional savings from vacant posts after the removal of amounts required to meet savings targets in 2014/15, grants / shared services, and required to reduce income targets or to buy in services externally.                                                                                                                                                                            |
| Non-key area savings                                                                                                                                                | 0                          | 0                     | 0                  | (35,000)                              | 0                                | (35,000)                      | (35,000)                                       | 0                                         | (35,000)                           | GREEN      | There are projected savings on supplies and services costs in non key areas - £35,000 Environmental Protection (some of this saving may be transferred to Improving Public Health Outcome - Outcome 3 when the elements of the service to transfer have been fully agreed).                                                                                                                              |
|                                                                                                                                                                     |                            |                       |                    |                                       |                                  |                               |                                                |                                           |                                    |            |                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>KEY AREAS TOTAL : ENVIRONMENT, PROPERTY &amp; COMMERCIAL SERVICES</b>                                                                                            | <b>36,584,000</b>          | <b>(21,940,200)</b>   | <b>14,643,800</b>  | <b>35,966,900</b>                     | <b>(21,519,900)</b>              | <b>14,447,000</b>             | <b>(617,100)</b>                               | <b>420,300</b>                            | <b>(196,800)</b>                   |            |                                                                                                                                                                                                                                                                                                                                                                                                          |