

**Corporate Overview and Scrutiny  
Management Board**

**8 April 2024**



**Chief Executive's Office – Quarter 3  
December 2023: Forecast of Revenue  
and Capital Outturn 2023/24**

**Ordinary Decision**

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**Report of Paul Darby, Corporate Director of Resources**

**Electoral division(s) affected:**

Countywide

**Purpose of the Report**

- 1 To provide details of the updated forecast revenue and capital outturn budget position for the Chief Executive's Office (CEO) service grouping, highlighting major variances in comparison with the budget based on the position to the end of December 2023.

**Executive Summary**

- 2 The quarter 3 outturn position shows that the service is forecasting a cash limit underspend of £0.769 million against a revised budget of £4.323 million.
- 3 The CEO cash limit balance carried forward at 31 March 2024 is forecast to be circa £0.829 million. Other earmarked reserves under the direct control of CEO are forecast to total £1.200 million at 31 March 2024.
- 4 The revised CEO capital budget is £1.892 million for 2023/24, with a total expenditure to 31 December 2023 of £0.691 million (36.52%).

**Recommendation(s)**

- 5 Corporate Overview and Scrutiny Management Board is recommended to note the forecast of outturn position.
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## Background

6 County Council approved the Revenue and Capital budgets for 2023/24 at its meeting on 22 February 2023. These budgets have subsequently been revised to account for grant additions/reductions, corporate savings/adjustments, budget transfers between service groupings and budget profiling between years. This report covers the financial position for the following major budget areas maintained by the CEO service grouping:

- Revenue Budget - £4.323 million (original £0.00 million)
- Capital Programme - £1.892 million (original £0.00 million)

7 The original CEO revenue budget has been revised in year to incorporate a number of budget adjustments as follows:

	<b><u>£,000s</u></b>
<b>Quarter 1:</b>	
Transfer from RES – Design Services	(28)
Transfer from RES – Corporate Policy Planning and Performance	1,932
Transfer from REG – Comms and Marketing	1,935
Transfer from RES – Corporate Affairs and Management	299
Transfer to RES – Web Team	(134)
<b>Quarter 2:</b>	
Transfer to RES – Corporate Affairs and Management	27
Transfer from AHS – 2 x Business Analyst posts	99
<b>Quarter 3</b>	
23-24 Pay Award	192
<b>TOTAL</b>	<b><u>4,323</u></b>

The revised General Fund Budget for CEO is £4.323 million.

8 The summary financial statements contained in the report cover the financial year 2023/24 and show:

- The approved annual budget;
- The actual income and expenditure as recorded in the Council's financial management system;
- The variance between the annual budget and the forecast outturn;
- For the CEO revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met

from the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.

- 9 The service is forecasting a cash limit underspend of £0.769 million (17.79%) against a revised budget of £4.323 million.
- 10 The tables below compare the forecast of outturn with the budget. The first table is analysed by Subjective Analysis (i.e. type of expense), and the second by service.

### Type of Expenditure (Subjective Analysis) (£000's)

	2023/24 Budget £000	YTD Actual £000	QTR3 Forecast of Outturn £000	(From) / To Reser ves £000	Items Outside Cash Limit £000	Q3 Cash Limit Variance £000	Q2 Cash Limit Variance £000
Employees	4,584	3,221	4,237	-	18	(329)	(291)
Premises	-	1	-	-	-	-	-
Transport	12	2	4	-	-	(8)	(4)
Supplies and Services	748	614	688	-	-	(60)	(32)
Third Party Payments	-	-	-	-	-	-	-
Transfer Payments	-	-	-	-	-	-	-
Central Support and Capital	7	(1)	7	(352)	-	(352)	(238)
<b>Gross Expenditure</b>	<b>5,351</b>	<b>3,838</b>	<b>4,936</b>	<b>(352)</b>	<b>18</b>	<b>(749)</b>	<b>(565)</b>
Income	(1,028)	(750)	(1,048)	-	-	(20)	17
<b>Net Expenditure</b>	<b>4,323</b>	<b>3,088</b>	<b>3,888</b>	<b>(352)</b>	<b>18</b>	<b>(769)</b>	<b>(548)</b>

## By Service (£000's)

	2023/24 Budget £000	YTD Actual £000	QTR3 Forecast of Outturn £000	(From) / To Reserves £000	Items Outside Cash Limit £000	Q3 Cash Limit Variance £000	Q2 Cash Limit Variance £000
CEO Management	485	438	493	-	18	26	(8)
Corporate Policy Planning and Performance	2,086	1,383	1,944	(249)	-	(391)	(304)
Comms and Marketing	1,752	1,267	1,451	(103)	-	(404)	(236)
<b>Net Expenditure</b>	<b>4,323</b>	<b>3,088</b>	<b>3,888</b>	<b>(352)</b>	<b>18</b>	<b>(769)</b>	<b>(548)</b>

- 11 The table below provides a brief commentary on the variances against the revised budget analysed by service. The table identifies variances in the core budget only and excludes items outside of the cash limit (e.g. redundancy costs) and technical accounting adjustments (e.g. capital charges):

Service	Service Area	Description	Variance (under) / over budget £000	Variance (under) / over budget £000
CEO Management	Management	£29,000 transferred to corporate contingencies for pay award relating to vacant posts	26	26
Corporate Policy Planning and Performance	Equality & Strategy	(£75,000) under budget on vacant employee posts deleted in advance of MTFP(13) savings. (£91,000) under budget on employees due to vacant posts. (£6,000) underbudget on printing and postage costs	(174)	
	Research & Intelligence	(£49,000) under budget on employees in advance of future MTFP (15) savings	(49)	
	Transformation	(£110,000) under budget on employees due to a vacancy and secondment (£23,000) unbudgeted income from Delivering Better Value fund		

<b>Service</b>	<b>Service Area</b>	<b>Description</b>	<b>Variance (under) / over budget £000</b>	<b>Variance (under) / over budget £000</b>
		(£33,000) unbudgeted income from Family Hubs	(168)	<b>(391)</b>
Communications and Marketing	Communications and Marketing	(£160,000) under budget on vacant employee posts deleted in advance of MTFP14 savings (£162,000) under budget on vacant employee posts which have recently been filled (£50,000) under budget on general supplies (£20,000) under budget on Durham County News (£30,000) unbudgeted advertising income. £20,000 under achieved income relating to internal design works.	(404)	<b>(404)</b>
<b>TOTAL</b>				<b>(769)</b>

- 13 In summary, the service grouping is on track to maintain spending within its cash limit.

### **Capital Programme**

- 14 The original CEO capital programme was £0.000 million, and this has been revised for additions, reductions, budget transfers and budget profiling. The revised budget now stands at £1.892 million.
- 15 Summary financial performance to the end of December 2023 is shown below:

	Original Annual Budget 2023/24	Revised Annual Budget 2023/24	Actual Spend 31/12/2023	Remaining Budget 2023/24
	£000	£000	£000	£000
Policy, Planning & Performance – Equality	0	476	57	419
Policy, Planning & Performance	0	1,416	634	782
<b>Total</b>	<b>0</b>	<b>1,892</b>	<b>691</b>	<b>1,201</b>

- 16 The revised CEO capital budget is £1.892 million with a total expenditure to 31 December 2023 of £0.691 million (36.52%). A full breakdown of schemes and actual expenditure is given in Appendix 2.
- 17 At year end the actual outturn performance will be compared against the revised budgets and at that time service and project managers will need to account for any budget variance.

### Background papers

- County Council Report (22 February 2023) - [Medium Term Financial Plan 2023/24 to 2026/27 and Revenue and Capital Budget 2023/24](#)
- Cabinet Report (13 September 2023) –[Forecast of Revenue and Capital Outturn 2023/24 - Period to 30 June 2023](#)
- Cabinet Report (15 November 2023) –[Forecast of Revenue and Capital Outturn 2023/24 - Period to 30 September 2023](#)
- Cabinet Report (13 March 2024) - [Forecast of Revenue and Capital Outturn 2023/24 - Period to 31 December 2023](#)

### Other useful documents

- None

### Author(s)

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## **Appendix 1: Implications**

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### **Legal Implications**

The consideration of regular budgetary control reports is a key component of the Council's Corporate and Financial Governance arrangements. This report shows the forecast spend against budgets agreed by the Council in February 2023 in relation to the 2023/24 financial year.

### **Finance**

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital outturn position alongside details of balance sheet items such as earmarked reserves held by the service grouping to support its priorities.

### **Consultation**

Not applicable.

### **Equality and Diversity / Public Sector Equality Duty**

Not applicable.

### **Climate Change**

Not applicable.

### **Human Rights**

Not applicable.

### **Crime and Disorder**

Not applicable.

### **Staffing**

Not applicable.

### **Accommodation**

Not applicable.

### **Risk**

The consideration of regular budgetary control reports is a key component of the Councils Corporate and Financial Governance arrangements.

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## **Procurement**

The outcome of procurement activity is factored into the financial projections included in the report.



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## Appendix 2 Chief Executive's Office Capital Programme 2023/24 – Detailed Monitoring Statement to 31 December 2023

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Chief Executive's Office	Revised Annual Budget	Actual Spend	Remaining Budget
	2023/24	31-Dec-23	2023/24
	£000	£000	£000
Corporate Business Intelligence System	1,416	634	782
Changing Places – non DCC Properties	175	57	118
Changing Places – Hardwick Park Toilet Facilities	184	-	184
Changing Places – Teesdale Leisure Centre	80	-	80
Changing Places – Dunes Café Crimdon	37	-	37
<b>CEO Total</b>	<b>1,892</b>	<b>691</b>	<b>1,201</b>

