

**Corporate Overview and Scrutiny
Management Board**

1 December 2023



**Chief Executive's Office – Quarter 2
September 2023: Forecast of Revenue
and Capital Outturn 2023/24**

Ordinary Decision

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 September 2023.

Executive Summary

- 2 The quarter 2 forecast position shows that the service is forecasting a cash limit underspend of £0.548 million against a revised budget of £4.130 million.
- 3 The CEO cash limit balance carried forward at 31 March 2024 is forecast to be circa £0.608 million. Other earmarked reserves under the direct control of CEO are forecast to total £1.274 million at 31 March 2024.
- 4 The revised CEO capital budget is £1.892 million for 2023/24, with a total expenditure to 30 September 2023 of £0.531 million (28.1%).

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 - £4.130 million (original £0.000 million)
- Capital Programme - £1.892 million (original £0.000 million)

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

	<u>£,000s</u>
Quarter 1:	
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)
Quarter 2:	
Transfer to RES – Corporate Affairs and Management	27
Transfer from AHS – 2 x Business Analyst posts	99
TOTAL	<u>4,130</u>

The revised General Fund Budget for CEO is £4.130 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 £0.548 million (13.30%) against a revised budget of £4.130 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	QTR2 Forecast of Outturn £000	(From) / To Reserves £000	Items Outside Cash Limit £000	Cash Limit Variance £000
Employees	4,392	2,038	4,117	-	(16)	(291)
Premises	-	-	-	-	-	-
Transport	12	1	8	-	-	(4)
Supplies and Services	748	378	716	-	-	(32)
Third Party Payments	-	-	-	-	-	-
Transfer Payments	-	-	-	-	-	-
Central Support and Capital	6	-	42	(274)	-	(238)
Gross Expenditure	5,158	2,417	4,883	(274)	(16)	(565)
Income	(1,028)	(529)	(1,011)	-	-	17
Net Expenditure	4,130	1,888	3,872	(274)	(16)	(548)

By Service (£000's)

	2023/24 Budget £000	YTD Actual £000	QTR2 Forecast of Outturn £000	(From) / To Reserves £000	Items Outside Cash Limit £000	Cash Limit Variance £000
CEO Management	480	273	477	-	(5)	(8)
Corporate Policy Planning and Performance	1,990	807	1,894	(197)	(11)	(304)
Comms and Marketing	1,660	808	1,501	(77)	-	(236)
Net Expenditure	4,130	1,888	3,872	(274)	(16)	(548)

- 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	No material variance	(8)	(8)
Corporate Policy Planning and Performance	Equality & Strategy	(£108,000) under budget on employees due to a vacant post also vacant posts in advance of MTFP savings	(108)	(304)
	Research & Intelligence	(£85,000) under budget on employees due to a vacant post and a secondment	(85)	
	Transformation	(£88,000) under budget on employees due to a vacant post and a secondment (£23,000) unbudgeted income from Delivering Better Value fund	(111)	
Communications and Marketing	Communications and Marketing	(£116,000) under budget due to vacant posts deleted in advance of MTFP savings (£184,000) under budget on employees ahead of restructure to be implemented in November 23 plus other vacant posts (£30,000) unbudgeted advertising income £94,000 under achieved income relating to internal design works	(236)	(236)
TOTAL				(548)

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 September 2023 is shown below:

	Original Annual Budget 2023/24	Revised Annual Budget 2023/24	Actual Spend 30/09/2023	Remaining Budget 2023/24
	£000	£000	£000	£000
Policy, Planning & Performance – Equality	0	476	-	476
Policy, Planning & Performance	0	1,416	531	971
Total	0	1,892	531	1,447

- 16 The revised CEO capital budget is £1.892 million with a total expenditure to 30 September 2023 of £0.531 million (28.1%). 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](#)

Other useful documents

- Previous Cabinet reports / None

Author(s)

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Appendix 1: Implications

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.

Procurement

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

Appendix 2 Chief Executive's Office Capital Programme 2023/24 – Detailed Monitoring Statement to 30 September 2023

Chief Executive's Office	Revised Annual Budget 2023/24	Actual Spend 30/09/23	Remaining Budget 2023/24
	£000	£000	£000
Corporate Business Intelligence System	1,416	531	971
Changing Places – non DCC Properties	175	-	175
Changing Places – Durham Dales Centre	-	-	-
Changing Places – Bishop Auckland Bus Station	-	-	-
Changing Places – Hardwick Park Toilet Facilities	184	-	184
Changing Places – Teesdale Leisure Centre	80	-	80
Changing Places – Dunes Café Crimdon	37	-	37
CEO Total	1,892	531	1,447