

**Corporate Overview and Scrutiny
Management Board**

03 October 2024



**Chief Executive's Office – Quarter 1
June 2024: Forecast of Revenue and
Capital Outturn 2024/25**

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 June 2024.

Executive Summary

- 2 The quarter 1 outturn position shows that the service is forecasting a cash limit underspend of £0.468 million against a revised budget of £18.032 million.
- 3 The CEO cash limit balance carried forward at 31 March 2025 is forecast to be circa £1.601 million. Other earmarked reserves under the direct control of CEO are forecast to total £3.026 million at 31 March 2025.
- 4 The revised CEO capital budget is £0.658 million for 2024/25, with a total expenditure to 30 June 2024 of £0.362 million (55.0%).

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 2024/25 at its meeting on 28 February 2024. 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 - £18.032 million (original £4.613 million)
- Capital Programme - £0.658 million (original £0.658 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 – Legal and Democratic Services	9,053
Transfer from RES – Digital Services (Corporate BI)	947
Transfer from AHS – Data Team (Corporate BI)	637
Transfer from CYPS – Data Team (Corporate BI)	1,781
Transfer from NCC - PACE	1,001
TOTAL	<u>13,419</u>

The revised General Fund Budget for CEO is £18.032 million.

8 The summary financial statements contained in the report cover the financial year 2024/25 and show:

- (a) The approved annual budget;
- (b) The forecast income and expenditure as recorded in the Council's financial management system;
- (c) The variance between the annual budget and the forecast outturn;
- (d) 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 £0.468 million (2.60%) against a revised budget of £18.032 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)

	2024/25 Budget	Q1 Forecast	Variance (under) / over spend	(From) / To Reserves	Items Outside Cash Limit	Cash Limit Variance
	£000	£000	£000	£000	£000	£000
Employees	14,618	14,814	196	0	0	196
Premises	300	240	(60)	0	8	(52)
Transport	204	209	5	0	0	5
Supplies and Services	6,267	6,884	617	0	(200)	417
Third Party Payments	1	1	0	0	0	0
Transfer Payments	432	432	0	0	0	0
Central Support and Capital	1,122	1,122	0	(757)	(12)	(769)
Gross Expenditure	22,944	23,702	758	(757)	(204)	(203)
Income	(4,912)	(5,177)	(265)	0	0	(265)
Net Expenditure	18,032	18,525	493	(757)	(204)	(468)

By Service (£000's)

	2024/25 Budget	Q1 Forecast	Variance (under) / over spend	(From) / To Reserves	Items Outside Cash Limit	Cash Limit Variance
	£000	£000	£000	£000	£000	£000
CEO Management	805	812	7	0	0	7
Corporate Affairs	8,174	8,374	200	(705)	(0)	(505)
Legal and Democratic Services	9,053	9,339	286	(52)	(204)	30
Net Expenditure	18,032	18,525	493	(757)	(204)	(468)

- 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	7	7
Corporate Affairs	Equality & Strategy	(£28,000) under budget due to temporary vacant post	(28)	(505)
	Research & Intelligence	(£50,000) under budget due to vacant post identified as MTFP 15 saving	(58)	
	Transformation	(£48,000) under budget due to vacant post identified as MTFP 15 saving	(51)	
	Communications and Marketing	(£87,000) under budget due to posts identified as MTFP 15 savings (£121,000) under budget due to vacant posts £10,000 overachieved design income	(221)	
	Corporate BI	(£107,000) under budget due to vacancies ahead of restructure	(107)	
	Partnerships & Community Engagement	(£40,000) under budget due to vacant Strategic Manager post until September	(40)	
Legal & Democratic Services	Corporate & Democratic Core	(£96,000) under budget due to vacant posts within Committee Secretariat (£47,000) under budget due to vacant post in Scrutiny support (£12,000) overachieved income	(157)	30
	Legal Services	(£70,000) under budget due to post identified as MTFP 15 saving £172,000 over budget on childcare litigation Barrister Fees £38,000 under achieved land charge income £39,000 under achieved School SLA income	187	
TOTAL				(468)

12 In summary, the service grouping is on track to maintain spending within its cash limit, and the managed underspend will be required in 2025/26 to fund one off Corporate BI project costs.

Capital Programme

- 13 The CEO capital programme is £0.658 million.
- 14 Summary financial performance to the end of June 2024 is shown below:

	Original Annual Budget 2024/25	Revised Annual Budget 2024/25	Actual Spend 30-Jun-24	Budget Remaining 2024/25
	£000	£000	£000	£000
Policy, Planning & Performance – Equality	276	276	196	80
Policy, Planning & Performance	382	382	166	216
Total	658	658	362	296

- 15 The revised CEO capital budget is £0.658 million with a total expenditure to 30 June 2024 of £0.362 million (55.0%). A full breakdown of schemes and actual expenditure is given in Appendix 2
- 16 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 \(28 February 2024\) - Medium Term Financial Plan 2024/25 to 2027/28 and Revenue and Capital Budget 2024/25](#)

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 2024 in relation to the 2024/25 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 2024/25 – Detailed Monitoring Statement to 30 June 2024

Chief Executive's Office	Revised Annual Budget	Actual Spend	Remaining Budget
	2024/25	30-Jun-24	2024/25
	£000	£000	£000
Corporate Business Intelligence System	382	166	216
Changing Places – non DCC Properties	90	64	26
Changing Places – Hardwick Park Toilet Facilities	76	61	15
Changing Places – Teesdale Leisure Centre	80	54	26
Changing Places – Dunes Café Crimdon	30	17	13
CEO Total	658	362	296