

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – ECONOMIC DEVELOPMENT AND REGENERATION

8 August 2019

Joint Report of the Executive Director – Economy, Transport and Environment and the Director of Finance & ICT

REVENUE OUTTURN 2018-19

(1) **Purpose of Report**

To inform the Cabinet Member of the outturn position for 2018-19.

(2) **Information and Analysis**

Summary

The table below sets out the final controllable outturn position for the portfolio for 2018-19. Net expenditure was £0.682m against a budget of £0.867m, resulting in a controllable underspend of (£0.185m).

Outturn by Service Area	Budget £m	Actual £m	(Under)/Over Spend £m
Economic Development	0.802	0.570	(0.232)
Markham Vale Employment Growth Zone	0.065	0.106	0.041
Coalite	0.000	0.006	0.006
Total	0.867	0.682	(0.185)

Key Variances

Economic Development underspend £0.232m

To ensure best use of public monies, all efforts are made to secure match funding where available and deliver interventions in partnership where possible to maximise value and impact. This has been particularly successful in recent years with the leveraging of EU funding (notably European Regional Development Fund) which has been matched since 2015 with earmarked reserves and reduced the burden on the revenue budget. In addition, Cabinet secured an extra £200,000 on 11 January 2018 (Minute No.08/18 refers), to support a new and dynamic approach to economic development. It has taken up to 12 months to implement the new approach focused on delivering enterprise and investment services to business through the Derbyshire Economic Partnership. This is now in place and it is now expected that any underspends will be reduced this year as interventions are developed and delivered to support the Council's economic growth ambitions in relation to targeted business support and investment and trade promotion.

Earmarked Reserves

Earmarked Reserves relating to this portfolio, totalling £0.832m, are currently held to support future expenditure. Details of these reserves are shown below:

Economic Development and Regeneration	Amount £m
DEP D2 Inward Investment	0.033
Skills Training	0.101
Markham Vale Economic Impact Assessment	0.100
D2N2 Demand Stimulation	0.100
D2 Growth Fund	0.200
D2EE Low Carbon Project	0.067
D2 Business Development	0.053
LEADER Project	0.023
Markham Vale Environment Centre Extension	0.114
D2N2 Digital Growth	0.041
Total Earmarked Reserves	0.832

Budget savings totalling £0.325m were allocated for the year.

The table below shows performance against the savings identified:

Description	Budget Savings Target 2018-19 £m	Achieved Amount by end 2018-19 £m	Balance Not Achieved 2018-19 £m
Markham Employment Growth Zone (MEGZ)	0.325	0.106	0.219
Total	0.325	0.106	0.219

Achieving the targeted budget saving for MEGZ was dependant on increasing the level of income received through the Site Facilities Charge levied on occupiers. This Site Facilities Charge is to meet the costs of ongoing site management and maintenance. Whilst there has been some success in attracting new occupiers to the site, the rate of take-up has been slightly lower than previously predicted, thereby the anticipated increase in income from the Site Facilities Charge was lower than expected. It is predicted that the full saving will be achieved in 2019-20.

(3) Financial Considerations

As contained within the report.

Other Considerations

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, social value and transport considerations.

(4) **Key Decision**

No.

(5) **Call-In**

Is it required that call-in be waived in respect of the decisions proposed in the report?

No.

(6) **Background Papers**

Held on file within the Economy, Transport and Environment Department. Officer contact details - Karen Howes, extension 38730.

(7) **OFFICER'S RECOMMENDATIONS**

That the Cabinet Member notes the report.

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