

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – CLEAN GROWTH AND REGENERATION

30 July 2020

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

REVENUE OUTTURN 2019-20

(1) **Purpose of Report** To report the final revenue controllable outturn position for 2019-2020 for the portfolio, to identify significant variations in expenditure from the budget, and to identify the impact of the 2019-20 outturn on future years and any action proposed.

(2) **Information and Analysis**

Summary

The table below sets out the final controllable outturn position for the portfolio for 2019-20. Net expenditure was £5.615m against a budget of £5.580m. The figures have been distorted by the receipt of Business Rates in the year of £4.836m, meaning that the proper figures for the portfolio would have been net expenditure of £0.779m against a budget of £0.744m resulting in a controllable overspend of £0.035m.

Outturn by Service Area	Budget £m	Actual £m	(Under)/Over Spend £m
Economic Development	5.464	5.429	(0.035)
Employment and Skills	0.044	0.118	0.074
Markham Vale Enterprise Growth Zone	0.072	0.062	(0.010)
Coalite	0.000	0.006	0.006
Total	5.580	5.615	0.035
Less Business Rates	4.836	4.836	0.000
Total after Business Rates	0.744	0.779	0.035

Key Variances

Economic Development Underspend £0.035m

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, implementation of the revised 'enterprise and investment' function is continuing and recruitment has not been completed, resulting in some staffing underspends within the financial year. Also, business support interventions and investment/ trade promotion continue to be developed – as these are finalised and rolled out to businesses, the level of underspend will decrease.

Employment and Skills Overspend £0.074m

The overspend is due to incurring salary costs that are not currently budgeted for and are pending rationalisation of the whole Economy and Regeneration Service structure.

Markham Vale underspend £0.010m

The underspend is mainly due to a reduction in salary spend as relevant salaries are being charged to capital.

Earmarked Reserves

Earmarked Reserves relating to this portfolio, totalling £0.695m, 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	0.092
Markham Vale Economic Impact Assessment	0.100
D2 Growth Fund	0.200
D2EE Low Carbon Project	0.067
D2 Business Development	0.053
LEADER Project	0.036
Markham Vale Environment Centre Extension	0.114
Total Earmarked Reserves	0.695

(3) **Financial Considerations** As contained within the report.

(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 Communities Department. Officer contact details - Karen Howes, extension 38730.

(7) **OFFICER'S RECOMMENDATIONS**
the report.

That the Cabinet Member notes

Mikes Ashworth
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Peter Handford
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