

**FOR PUBLICATION**

**DEPUTY LEADER & EXECUTIVE MEMBER FOR PLANNING**  
**ACCOUNTS 2014/15**

---

**MEETING:** (1) CABINET  
(2) DEPUTY LEADER & CABINET  
MEMBER FOR PLANNING

**DATE:** (1) 16 JUNE 2015  
(2) 8 JUNE 2015

**REPORT BY:** CHIEF FINANCE OFFICER

**WARD:** ALL

**COMMUNITY ASSEMBLY:** ALL

**KEY DECISION  
REFERENCE** 518

---

FOR PUBLICATION

BACKGROUND PAPERS: NONE

---

**1.0 PURPOSE OF REPORT**

1.1 To report on the Revenue Outturn for 2014/15 and to provide explanations for significant variations from the Revised Estimates approved by Cabinet on 17 February 2015.

**2.0 RECOMMENDATIONS**

2.1 That the report be noted.

2.2 That the funding for the Council's Local Plan be carried forward (para 4.1).

### 3.0 REVENUE OUTTURN

3.1 The revenue outturn for 2014/15 is as follows:

	<u>£ 000</u>	
Original Budget	(1,280)	
Revised Budget	(1,294)	
Outturn	(178)	See para 3.4

3.2 The main variations from the Original to the Revised budget of (£14k) included:

**Table 1 - Significant Variances Original to Revised 2014/15**

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Employee Savings	(66)
Redundancy Payments	50
Pavements Centre	(11)
Energy & Water Costs	(12)
Insurances	(22)
NNDR & Rents	(16)
Car Allowances	(18)
BCN Consortium – contribution to GF	(14)
Industrial Units & Workshops Profit Share	(12)
CIL – from reserves	5
Covenant at former ABC Cinema	(45)
Reduced Ind Units & Workshops Rents & Service Chgs	70
Planning Application Income	(110)
Drain Clearing – Kier Change of Control	9
Lean Review	15
<b>Changes to controllable budgets</b>	<b>(177)</b>
Pavements Centre – capital charges & support services	9
Change in support service recharges	129
Changes in capital charges	25
<b>Overall decrease</b>	<b>(14)</b>

### 3.3 The Revenue Outturn of (£178,394) represents:

- A reduced surplus of £1,101k or 86.1% against the Original Budget; and
- A reduced surplus of £1,116k or 86.2% against the Revised Budget.

3.4 The table below sets out the main variations between revised budget and actual outturn separating capital charges and support service recharges, items which are not controllable. This highlights an over spend of £435k on internal controllable expenditure.

	Original Estimate £'000	Revised Estimate £'000	Actual Outturn £'000	Variance £'000
Capital Charges:				
- Internal	254	279	<b>762</b>	483
- Pavements Centre	1,518	1,526	<b>1,672</b>	146
Support Services:				
- Internal	(847)	(718)	<b>(689)</b>	29
- Pavements Centre	1	2	<b>2</b>	0
Non Controllable Expd	926	1,089	<b>1,747</b>	658
Controllable Expd:				
- Internal	(311)	(477)	<b>(42)</b>	435
- Pavements Centre	(1,895)	(1,906)	<b>(1,883)</b>	23
<b>Portfolio Total</b>	<b>(1,280)</b>	<b>(1,294)</b>	<b>(178)</b>	<b>1,116</b>

A more detailed analysis of controllable and non-controllable expenditure by Programme Area is shown at **Annexe 1B**.

3.5 A detailed analysis of the variances from the revised budget to the outturn is shown in **Annexe 4** but the most significant variances are summarised below:-

<b>Significant Variances Revised to Outturn 2014/15</b>	
<u>Description</u>	Overspend / (Underspend) £'000
Employee Accumulated Absences (see para 3.6 below)	(3)
Current Service Pension Costs Adjustment (see para 3.6)	94
Employee Expenses	(27)
Pavements Centre	23
THI Revenue Scheme	91
Introduction/management costs - GPGS	193
Energy Costs	(9)
Contribution to Linacre Site – funding from reserves	26
General Equipment & Repairs	15
BCN Consortium – contribution to GF	(13)
Kier Managed Budgets & Drain Clearing Services	(13)
Industrial Units & Workshop Profit Share	12
Industrial Units & Workshop Rents & Service Charges	(20)
Best Value Fees & Charges	23
Planning Fees & Charges	(28)
Rent Equalisation & Bad Debt Provisions	44
Land Drainage Scheme (offset by Capital Charge savings)	57
Net of all other variances	(7)
<b>* Changes to controllable budgets</b>	<b>458</b>
Change in support service recharges	29
Pavements Centre – capital charges (see para 3.7 below)	146
Change in other capital charges (see para 3.7 below)	483
<b>Overall Increase</b>	<b>1,116</b>

**\*Controllable budget variances excluding the Accumulated Absences, Current Service Pension Costs & Land Drainage Scheme Grant adjustments** **£260k**

3.6 In order to comply with accounting standards, the employee accumulated absences listed in the variances at **Annexe 4** must be shown in the revenue accounts. This is only an internal adjustment which is reversed elsewhere in the accounts and so will have no impact on the level of surplus or reserves available to the Council. Similarly, the over spend described as 'Current Service Pension Costs Adjustment' is an internal accounting adjustment which is matched by an under-spend in the Governance Portfolio.

- 3.7 The major variance on capital charges is due to an increase in the value of investment properties on Town Centre Properties. This change in value must be reflected in revenue in the year in which it occurs. This however is reversed out with an equal and opposite entry made to the Income & Expenditure Statement; the 'bottom line' is therefore unaffected.
- 3.8 Recurring variances – The recurring variances within this portfolio are increases on the planning application income, cancellation of the Derbyshire Dales contract and the GPGS management costs.
- 3.9 The following information is attached.

**Annexe 1 Summary by Programme Area**

**Annexe 2 Detailed by Programme Area and Cost Centre**

**Annexe 3 Subjective Analysis**

**Annexe 4 Variations– Revised Budget 2014-15 to Actual 2014-15**

**Annexe 5 Capital Outturn**

**Annexe 6 Carry Forward Requests**

#### **4.0 CARRY FORWARDS**

- 4.1 That the funding for the Council's Local Plan (£13,930) be carried forward in respect of external professional advice relating to viability or sustainability appraisals. This was reported to Cabinet on 21st April 2015 but approval is sort separately as this item was not included in the recommendations.

#### **5.0 CAPITAL OUTTURN**

- 5.1 **Annexe 5** provides a summary of expenditure on the capital schemes within this portfolio.

#### **6.0 RECOMMENDATION**

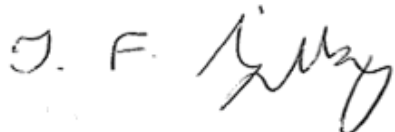
- 6.1 That the report be noted.
- 6.2 That the funding for the Council's Local Plan be carried forward (para 4.1).

## 7.0 REASONS FOR RECOMMENDATION

- 7.1 To enable the portfolio's Revenue Outturn to be included in the Council's overall Statement of Accounts.

**BARRY DAWSON**  
**CHIEF FINANCE OFFICER**

Officer recommendation supported.



Signed

Cabinet Member

Date 8.6.2015

Further information on this report can be obtained from  
: Linda Coupe (Ext. 2008)