

**Appendix 1**  
**Derry City and Strabane District Council**  
**9 Months ended 31st December 2018**  
**Financial Outturn summary**

Area	Annual Budget	Budget to 31st December 2018	Net expenditure	Variance	Comments
<b>Gross Cutting Corporate Services</b>					
Chief Executive	786,400	1,062,004	978,402	83,602	Saving on post not filled for 1st 9 months of the year and recharge of Salaries to Solace and NW Group
Strategic Finance & Funding	657,106	501,281	482,114	19,167	Saving on Programme Budgets for 1st 9 months of the year
Assurance	980,800	743,843	774,565	(30,722)	Sick Cover and Pay Costs following restructuring
Legal Services	237,700	234,224	244,203	(9,979)	Shortfall on Income for Insurance Claims for 9 months
Human Resources	749,600	558,799	541,469	17,330	Saving on post now filled at lower Grade for 9 months offset by shortfall in Training Income
Democratic Services & Improvement	1,747,278	1,405,808	1,347,553	58,255	Saving on post not filled for 9 months and operational costs for Council Offices
Council	1,237,900	878,924	826,330	52,594	Savings on Travel, Conferences, Phone Costs for 1st 9 months
	<b>6,396,784</b>	<b>5,384,883</b>	<b>5,194,636</b>	<b>190,247</b>	
<b>Health &amp; Community</b>					
Health & Community Mgt & Admin	527,200	381,146	336,792	44,354	1 x vacant post to be filled (£29k) and slight underspend in support staff salaries (£15.2k)
Health & Community Wellbeing	2,139,411	1,518,398	1,388,805	129,593	Major contributing factors are WHEAP Assessment Income being generated not anticipated in 18/19 Rates (£89k), Licensing income ahead of budget (£17k), Dogs Order income ahead of budget (£12k), and an underspend in Public Toilets Salary budget (£10k).
Community Development & Leisure	7,913,710	5,950,044	5,891,032	59,012	Income ahead of budget across several Leisure Sites by £50k. Also some Leisure Sites have underspends in salaries (£73k) as the new leisure structure continues to be implemented. However there is an overspend in other costs across all leisure sites (£77k). PCSP has an underspend in salaries £28k due to unfilled posts not being replaced. £40k of funding has been ringfenced and reflected in relation to the advice services resource identified during the rates process for an interim 1 year period.
	<b>10,580,321</b>	<b>7,849,588</b>	<b>7,616,629</b>	<b>232,959</b>	
<b>Business &amp; Culture</b>					
Business & Culture Director	168,300	126,425	124,801	1,624	Small saving Office operational costs
Off street car parking	(667,200)	(528,225)	(529,825)	1,600	Income slightly ahead of target for 1st 9 months of year
Business	2,064,528	1,679,692	1,666,998	12,694	Saving on Programme Budgets for 1st 9 months of the year
Culture	6,891,572	5,068,674	4,962,010	106,664	Mostly saving Staff & Facilities Costs Visitor Attractions
	<b>8,457,200</b>	<b>6,346,566</b>	<b>6,223,984</b>	<b>122,582</b>	
<b>Environment &amp; Regeneration</b>					
Director of Environment (inc Regeneration)	477,300	390,900	394,901	(4,001)	Additional costs re maternity cover in Regeneration section.
Planning	1,211,700	1,041,500	999,945	41,555	This favourable variance is largely down to better than expected income compared to predicted budget income offset by £39k of costs incurred in relation to Planning appeal tribunals.
Capital Development & Building Control	1,044,200	725,725	562,964	162,761	Building Control Income ahead of budget by £133k. Income budget has been increased by £50k as part of the rates estimates process for 2019/20.
Environment	20,179,879	15,238,751	15,232,999	5,752	Variances in Street Cleaning £60k and Vehicle Maintenance £95k are largely down to sickness, although savings in Waste £61k and Parks & Cemeteries £57k - along with some other areas mean a small favourable variance.
	<b>22,913,079</b>	<b>17,396,876</b>	<b>17,190,809</b>	<b>206,067</b>	

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Capital and loans	7,839,169	5,879,377	5,530,297	349,080	Relates to in-year loan charge savings of £1.47m due to loan charges approved for projects which won't complete until subsequent financial years and a £1m capital fund set aside as part of 2018/19 year end outturn report. These have been offset by £2.12m allocated to a number of projects through this committee in July 2018 and November 2018 following consideration of Capital and Corporate Projects Planning Group.
City of Derry Airport	3,979,573	3,123,770	3,134,551	(10,781)	Legal costs from Property Vesting case
Bank interest and charges	(16,500)	(12,400)	(28,804)	16,404	Bank interest received ahead of Budget for 1st 9 months of year
Pensioners Costs and unfunded pension contribution	462,400	414,944	415,244	(300)	
Apprenticeship levy			97,521	(97,521)	Budget included within Directorate salary budgets above- now shown as separate line in 19/20 rates booklet
Tris to/from Reserves	(2,071,079)	(2,071,079)	(2,071,079)	0	
Exceptional items					
Severance costs provision			2,352,868	(2,352,868)	As per separate severance report, includes £1,116,678 in relation to severances approved in July 2018 and £764,902 in relation to severances proposed to March 2019 Committee. A further £471k has been included to cover remaining severances to be approved during 2019/20 and associated salary costs of officers who won't leave until during 2019/20. These proposals have generated further efficiencies of £819k to Council during the 2019/20 rates process and contributed to the £3.108m of efficiencies realised since commencement of the new Council.
Provision for VAT associated with Planning Property Certificates			60,000	(60,000)	As identified during the rates process, HMRC have presented a challenge to the VAT status of property certificates which will require Council to account for VAT on these charges from the date the function transferred from DOE.
Provision for additional election costs			70,000	(70,000)	As per separate report to March 2019 Committee
Total net expenditure	58,540,947	44,312,525	45,786,656	(1,474,131)	
Rates support grant	(3,325,833)	(2,494,375)	(3,602,375)	1,108,000	Relates mainly to backdated payments to Council following Court of Appeal judgement in relation to the allocation formula taken by Mid Ulster Council. A small element (£72k) relates to additional in-year budgets allocated by DFC following recent year cuts.
Rates income	(52,506,194)	(39,379,646)	(40,499,646)	1,120,000	Forecast positive outturn for Quarter 3 as advised by Land and Property Services and due to continued ratebase growth. Whilst there remains a significant risk around non-domestic revaluation appeals, Council has set aside a provision of £1.7m to deal with this.
Derating Grant	(2,058,318)	(1,543,739)	(1,543,739)	0	
Transferring Functions Grant	(350,602)	(262,952)	(262,952)	0	
Reserves	(300,000)	(225,000)	(225,000)	0	
Total funding	(58,540,947)	(43,905,710)	(46,133,710)	2,228,000	
Total	0	406,815	(347,055)	753,869	