

Appendix 1

Derry City and Strabane District Council
9 Months ended 31st December 2019

Financial Outturn summary

Area	Annual budget	Budget to 31st Dec 2019	Net expenditure	Variance	Comments
Cross Cutting Corporate Services					
Chief Executive	1,508,900	1,314,249	1,295,754	18,495	Saving on Office costs & Income recouped from Solace
Strategic Finance & Funding	811,200	530,974	512,296	18,678	Saving on Project costs for 1st 9 months
Assurance	1,056,200	779,547	753,829	25,718	Saving from delay in filling Payroll post and Office costs
Legal Services	265,900	224,250	211,356	12,894	Saving from delay in filling vacant Solicitor post
Human Resources	764,400	557,499	557,229	270	Small saving on Office costs
Democratic Services & Improvement	1,772,400	1,432,153	1,395,880	36,273	Post vacant for 1st 6 months & savings on Offices operational costs
Council	1,274,450	883,089	886,141	(3,052)	Savings on Travel, Phones & Conference costs £52k. This has been offset by additional election provision £55k now regularised recurrently through rates process
	7,453,450	5,721,761	5,612,485	109,276	
Health & Community					
Health & Community Mgt & Admin	537,640	381,523	335,134	46,389	2 x vacant posts to be filled
Health & Community Wellbeing	2,196,810	1,568,780	1,535,920	32,860	Salary savings of £34k have resulted from increase grant funding being made available. Against this, advertising budget is overspent by £2k due to payment of public notices by Council for Community Groups re Road Closures.
					Positively, income is ahead across several leisure sites by £153k reflecting continued increase in usage of facilities. This has been offset by overspends in other costs across leisure (£169k). The key issues relate to a recent significant increase in fuel prices along with increased maintenance and health and safety costs across all facilities- these issues have been addressed in 20/21 rates proces. Members should be aware that the leisure harmonisation process is currently nearing completion and contingency has been set aside within salaries to reflect this. £120k has also been set aside to fund the local community pilot growth plans (HC179/19).
Community Development & Leisure	8,030,249	6,041,322	6,055,832	(14,510)	Beyond this, HC177/19 highlighted additional leisure reinvestment funds required totalling £65k- It is hoped that savings can be realised from across the Directorate between now and year end to facilitate this.
	10,764,699	7,991,625	7,926,886	64,739	
Business & Culture					
Business & Culture Director	172,700	128,225	127,884	341	Small saving on Office costs
Off street car parking	(668,400)	(505,750)	(506,851)	1,101	Income £22k ahead of Budget for 1st 9 months, offset by unbudgeted Security costs William Street £7k and increased NSL Contract costs £14k
Business	1,812,800	2,103,051	2,085,852	17,199	Saving on Project costs for 1st 9 months
					Saving on Visitor Attractions operating costs for 1st 9 months (£58k) offset by Staff buyouts & back pay for Museums & Visitor Services staff (£60k) due to harmonisation and conclusion of single status.
Culture	6,715,525	4,723,377	4,725,442	(2,065)	
	8,032,625	6,448,903	6,432,327	16,576	
Environment & Regeneration					
Director of Environment (inc Regeneration)	457,700	1,059,175	1,051,597	7,578	Some administrative savings
					Positive variance mainly due to income being ahead of budget for first 9 months (£163k) due to continued increase in applications and reduction in income deferred provision as cases are progressed.
					Council is currently exposed to a number of challenges and appeals for which additional legal costs will be incurred. No budget was transferred to Councils for this when the planning function transferred from Central Government which presents a financial challenge. An estimated provision of £75k has been made in this regard. The financial pressure associated with the increased cost of planning staff pensions has been offset by reserves carried forward from 2018/19 although will be a pressure for 2020/21.
Planning	1,465,200	1,157,124	1,067,191	89,933	

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Area	Annual budget	Budget to 31st Dec 2019	Net expenditure	Variance	Comments
Capital Development & Building Control	1,004,800	802,395	744,306	59,089	Building Control Income ahead of budget by £85k due to continued increase in volume of applications offset by temporary overspend in staff costs.
Environment	21,423,032	16,447,119	16,593,609	(146,490)	Overspend in fuel costs (£1.70k) due to increase in prices, maintenance/ health and safety costs (£56k) and sickness costs across refuse and street cleaning (£235k). These issues have been addressed during 20/21 rates estimates. These have been offset by waste contract savings with contingency allowance unused for first quarter
	24,350,732	19,465,813	19,456,703	9,110	
Capital and loans	8,535,469	6,401,602	6,401,602	0	Savings due to loan charges set aside for committed projects which either haven't yet completed or commenced. These savings have been considered separately for re-investment in the capital projects approval report following consideration by the Capital and Corporate projects Group in October in the context of other emerging financial pressures (severance costs, repairs and renewals, potential judicial review costs associated with issue of mineral prospecting licenses by the Department, and City of Derry Airport)
City of Derry Airport	3,463,116	2,498,139	2,498,139	0	Additional legal costs incurred by Council re PSO/ State aid offset by capital savings
Bank interest and charges	(16,500)	(12,375)	(24,357)	11,982	Bank interest ahead of budget for 1st 6 months
Pensioners Costs and unfunded pension contribution	465,100	426,790	424,760	2,030	Small saving
Trfs to/from Reserves	(1,183,973)	(1,183,973)	(1,183,973)	0	Relates to budgets carried forward to 2019/20 as part of year end outturn report
Total net expenditure	61,864,718	47,758,285	47,544,572	213,713	
Rates support grant	(3,233,276)	(2,424,957)	(2,424,957)	0	6% cut has now been implemented for 2019/20 as opposed to 4% cut assumed during rates process. Fortunately, this financial pressure of £65,074 has been offset by savings carried forward in reserves.
Rates income	(55,495,641)	(41,621,731)	(41,621,731)	0	Rates outturn for Quarter 2 is positive due to a number of new housing developments coming online. No savings have been assumed at this point due to ongoing appeals
Derating Grant	(2,173,064)	(1,629,798)	(1,629,798)	0	
Transferring Functions Grant	(362,737)	(272,053)	(272,053)	0	
Reserves	(600,000)	(450,000)	(450,000)	0	
Total funding	(61,864,718)	(46,398,539)	(46,398,539)	0	
Total	0	1,359,746	1,146,033	213,713	