

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR COUNCIL SERVICES

10 September 2013

Report of the Chief Executive and the Director of Finance

BUDGET MONITORING MONTH 3 2013-2014

1. Purpose of the Report

To inform the Cabinet Member of the latest budget monitoring position.

2. Information and Analysis

The controllable budget for the Council Services portfolio is approximately £50m. As at month 3, the budget is showing a forecast overspend of £1.007m for the year. The position statement at month 3 is attached as Appendix 1.

Key variances

Registrars – projected underspend £0.298m

The underspend is due to the over recovery of income for the various Registrar fees and charges.

HR Development - projected underspend - £0.437m

The main area of underspend relates to vacancies and unpaid staff absences. There are also underspends on the access to work budget at the moment, but this budget responds to demands from departments

Property Division – projected underspend £0.253m

There are a number of posts against the establishment that are currently being held vacant

Industrial Development – projected overspend £0.799m

The main reasons for the overspend is the under recovery of forecasted income for industrial units and small business centres brought about by the difficult economic climate, and the additional costs due to non-domestic rates liability payable on empty properties.

The Director of Property and Head of Regeneration together with the Director of Finance are undertaking a joint review of the industrial unit and small business centre portfolio. However, there is no simple answer as the sites still contribute £1.4m to the Council on an annual basis.

CRD Centrally Held Budgets – projected underspend £0.272m

The department has adopted a strategy of front loading its savings. These are scheduled to be fully utilized by 2014/15.

Corporate Management – projected underspend - £0.214m

This underspend represents a saving due to reductions in general subscriptions and audit fees.

Corporate Efficiencies – projected overspend £1.519m

These are the unallocated efficiency savings which have yet to be identified within Corporate budgets.

3. Reserves

A report on the Revenue Outturn position for 2012/13 was put forward by the Director of Finance to Cabinet on 30 July 2013. The report identified £2.871m of committed expenditure within Corporate as follows:

Adult Care Private Finance Initiative	£0.257m
Building Schools for the Future Wave 3	£0.992m
Building Schools for the Future LEP	£0.648m
Invest to Save	£0.974m

As these items are committed, it is requested that they be transferred to specific reserves to finance expenditure which will occur in the current and future years.

4. Considerations

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

5. Key Decision

No.

6. Background Papers

Files and reports held by the Director of Finance in rooms 237 and 202.

7. OFFICERS' RECOMMENDATIONS

That the Cabinet Member notes the position on the 2013-14 Revenue Budget.

IAN STEPHENSON
Chief Executive

PETER HANDFORD
Director of Finance

COUNCIL SERVICES PORTFOLIO BUDGET MONITORING 2013/14 JUNE 2013					
DIVISION	2013/14 CONTROLLABLE BUDGET	ACTUALS TO DATE	REST OF YEAR FORECAST	2013/14 CONTROLLABLE FORECAST	CONTROLLABLE (UNDER)/ OVER
	£	£	£	£	£
CORPORATE FINANCE					
- Corporate Finance Division	2,890,427	1,149,129	1,706,260	2,855,389	(35,038)
- Adult Care - Extracare Scheme		3,924	(3,924)	0	0
- BSF/PFI	666,864	299,060	344,976	644,036	(22,828)
- Insurance	3,256,984	1,954,527	1,302,457	3,256,984	0
- Pension Fund Contribution	1,000,000	1,000,000	0	1,000,000	0
- Invest to Save	(252,000)	0	(252,000)	(252,000)	0
- Revenue Contributions to Capital Outlay	141,999	0	0	0	(141,999)
- VR/CR Scheme	471,707	0	471,707	471,707	0
TRANSFORMATION SERVICES					
- Transformation Division	11,598,836	2,784,249	8,657,356	11,441,605	(157,231)
- Change Management	1,329,177	25,299	1,201,832	1,227,131	(102,046)
LEGAL SERVICES					
- Legal Services Division	2,880,919	734,074	2,219,319	2,953,393	72,474
- Coroners	1,302,803	135,052	1,132,506	1,267,558	(35,245)
- Registrars	64,543	(124,820)	(109,257)	(234,077)	(298,620)
H.R. DIVISION					
- HR Development	2,995,905	665,401	1,893,535	2,558,936	(436,968)
- Shared Service Centre	1,391,116	612,894	846,926	1,459,820	68,704
- Resources @ Derbyshire	0	65,150	(44,669)	20,481	20,481
- Derbyshire Business Centre	772,527	227,504	509,222	736,726	(35,801)
COUNTY PROPERTY					
- Property Division	4,525,811	1,032,463	3,239,853	4,272,316	(253,495)
- Building Maintenance	9,965,755	1,366,186	8,599,569	9,965,755	0
- Carbon Reduction	200,000	0	200,000	200,000	0
- County Buildings	2,286,702	845,026	1,609,480	2,454,506	167,804
- South Normanton JSC	76,400	171,779	98,393	270,172	193,772
- Industrial Development	(1,841,365)	(206,234)	(835,930)	(1,042,164)	799,201
CRD CENTRALLY HELD BUDGETS	2,182,176	867,205	1,043,068	1,910,273	(271,903)
MEMBERS					
- Members' Services	282,066	72,830	208,453	281,283	(783)
- Chairs Fund	37,361	0	37,361	37,361	0
- Elections	1,008,948	880,933	120,000	1,000,933	(8,015)
- Democratic Representation and Mgt	1,313,311	309,878	1,014,845	1,324,723	11,412
- Member Community Leadership Scheme	268,800	9,480	259,320	268,800	0
MISCELLANEOUS					
- Corporate Management	601,936	89,527	298,000	387,527	(214,409)
- Unapportionable Central Overheads	39,967	373	14,737	15,110	(24,857)
- Flood Defence Levies	283,533	150,553	150,552	301,105	17,572
- Efficiencies	(1,519,048)	0	0	0	1,519,048
- Other	(155,796)	(47,937)	68,178	20,241	176,037

TOTAL	50,068,363	15,073,504	36,002,126	51,075,630	1,007,267
PROPERTY DSO	COSTS TO JUNE		INCOME TO JUNE	(SURPLUS)/ DEFICIT	
	6,267,639		6,326,270	(58,631)	