

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR COUNCIL SERVICES

18 July 2017

**Report of the Strategic Director of Corporate Resources
and the Director of Finance and ICT**

OUTTURN 2016-2017

1 Purpose of the Report

To inform the Cabinet Member of the outturn position for 2016-17.

2 Information and Analysis

2.1 Summary

Attached as Appendix 1 to this report is a statement setting out the final outturn position for 2016-17. The controllable budget was £40.254m and the controllable underspend was £1.297m.

2.2 Key variances

Transformation Division – underspend £0.231m

There are a number of vacancies within the Division, and higher than anticipated levels of income from trading with schools has also contributed to the underspend.

HR Division – underspend £0.559m

The key variance relates to vacancies within the Division and higher than anticipated income, particularly for Occupational Health services.

County Buildings – projected underspend £0.374m

The key areas of underspend relate to utilities and rates in the buildings on the County Hall complex.

Industrial Development – projected overspend £0.601m

Since the economic downturn in 2008, the Industrial Development Portfolio has not achieved its income target due to the number of voids, which also results in the Council having to pay non-domestic rates liability payable on the empty units.

CRD Centrally held budgets – overspend £0.009m

The department has a number of posts which were created on the basis that they will become self-financing over the medium term. A number of initiatives are under way which will meet the financing objectives for these posts and will result in additional resources being transferred into this heading at the point the impact of the posts have been assessed and realised.

Due to a re-assessment of the bad debt provision, the department received a one-off 'credit' of £0.233m, which offset other overspends in this area.

2.4 Budget Savings

Budget savings totaling £3.419m have been identified against a target of £3.366m for this financial year. The savings are set out in Appendix 2.

3 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, social value and transport considerations.

4 Key Decision

No.

5 Background Papers

Files and reports held by the Director of Finance & ICT in Room 104.

6 Officers' Recommendation

That the Cabinet Member notes the outturn position on the 2016-17 Revenue Budget.

JUDITH GREENHALGH

Strategic Director of Corporate
Resources

PETER HANDFORD

Director of Finance & ICT

COUNCIL SERVICES PORTFOLIO BUDGET MONITORING 2016/17 outturn			
DIVISION	2016/17 CONTROLLABLE BUDGET £	ACTUALS £	CONTROLLABLE (UNDER)/ OVER £
CORPORATE FINANCE			
- Corporate Finance Division	2,816,193	2,787,315	-28,878
- PFI/BSF Schemes	1,445,999	1,402,005	-43,994
- Insurance	1,886,977	1,886,977	0
- VR/CR scheme	18,952	0	-18,952
- SAP System Costs	814,152	809,465	-4,687
Corporate Finance total	6,982,273	6,885,762	-96,511
TRANSFORMATION SERVICES			
- Transformation Division	10,633,591	10,402,225	-231,366
- Change Management	293,793	254,707	-39,086
Transformation Services total	10,927,384	10,656,932	-270,452
LEGAL AND DEMOCRATIC SERVICES DIVISION*			
- Legal Services Division	2,699,244	2,684,651	-14,593
Legal and Democratic Services Division total	2,699,244	2,684,651	-14,593
HUMAN RESOURCES			
H.R. Division	2,918,608	2,358,744	-559,864
Shared Services Centre	1,040,644	996,462	-44,183
Business Centre	652,430	456,445	-195,985
Human Resources total	4,611,682	3,811,651	-800,032
COUNTY PROPERTY			
- County Property Division	3,726,246	3,658,494	-67,752
- Building Maintenance	5,921,312	5,919,063	-2,249
- County Buildings	2,973,649	2,599,397	-374,252
- Industrial Development	-1,876,269	(1,275,003)	601,266
County Property total	10,744,938	10,901,951	157,013
CRD CENTRALLY HELD BUDGETS	590,235	599,273	9,038
MEMBERS			
- Elections	8,948	2,825	-6,123
- Democratic representation and management	1,354,528	1,299,173	-55,355
- Member community leadership	518,976	469,061	-49,915
- Communities Priorities Programme	709,570	709,570	0
- Chairs fund	65,382	9,340	-56,042
Members' total	2,657,404	2,489,969	-167,435
MISCELLANEOUS			
- Corporate Management	464,956	371,150	-93,806
- Unapportionable central overheads	42,545	2,362	-40,184
- Travellers	67,000	69,661	2,661
- Flood defence Levies	311,414	311,414	0
- Other	154,940	172,464	17,524
Miscellaneous total	1,040,855	927,051	-113,805
TOTAL	40,254,015	38,957,239	-1,296,775
			(SURPLUS) /DEFICIT
PROPERTY DSO	40,304,557	40,469,938	-165,381

* Coroners & Registrars, which were previously reported to this portfolio, have now moved to the Health & Communities Portfolio

Budget Savings

BUDGET SAVINGS 2016/17	Proposed Budget Reduction
	£
Vacancy freeze	271,000
Implementation of Hybrid mail	35,000
Reduction in departmental training budget	100,000
Reduction in registration services and increase in charges	145,000
Increased use of digitalisation in legal proceedings	30,000
Increased charges for highways and planning agreements	27,000
Recovery of legal fees on sale and lease of properties	24,000
Reduced agency expenditure in legal services	50,000
Deletion of trainee solicitor post	40,000
Revised support to members and electronic distribution of papers for meetings	30,000
Transformation staffing reductions	160,000
ICT-reduce proactive maintenance and move to break fix	300,000
Change Management	200,000
New wide area network contract	45,000
New telecoms contract	200,000
ICT hardware replacement budget	100,000
Reduce contribution to ICT reserve	270,000
Increased revenue from ICT support and maintenance charges	100,000
VR/VER base budget deletion	75,000
Risk management projects	50,000
Re-negotiating PFI contracts	200,000
Insurance premiums	325,000
Project appraisals	25,000
Accountancy support	45,000
VAT advice	10,000
Property review	562,000
Total	3,419,000