

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR COUNCIL SERVICES

12 April 2018

**Report of the Strategic Director of Commissioning, Communities
and Policy and the Director of Finance & ICT**

REVENUE BUDGET MONITORING MONTH 9 (DECEMBER) 2017-2018

1 Purpose of the Report

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

2 Information and Analysis

2.1 Summary

The controllable budget for the Council Services portfolio is approximately £43m. The latest budget monitoring projects an under-spend of £287k for the financial year. The key variance within the statement relates to the Industrial Development Portfolio managed by the Property Services Division, which is forecast to under recover against the income target, giving a net overspend of £0.711m.

The summary position as at month 9 is shown in the table below:

	Controllable Budget	Full year Forecast	Forecasted (under)/over Spend
	£m	£m	£m
Strategic Director	0.902	0.785	-0.117
Finance & ICT	17.160	16.855	-0.305
Legal Services	4.470	4.382	-0.088
Human Resources	3.698	3.333	-0.365
County Property	12.529	12.938	0.410
Members	3.039	3.044	0.005
Miscellaneous	0.883	1.056	0.173
Total	42.681	42.393	-0.287

2.2 Budget Savings

Budget reductions totalling £3.301m were allocated for the year, with a contribution of £175k towards the shortfall in identified savings. The department has identified £3.015m of savings, of which £2.905m will be achieved, with the balance being met from underspends.

The full list can be found in Appendix 1.

2.3 Reserves

The Department's Earmarked Reserves total £77.132m and are listed 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, social value, property, and transport considerations.

4 Key Decision

No.

5 Background Papers

Files and reports held by the Director of Finance & ICT in room 106.

6 Call-in

Is it required that call-in be waived in respect of decisions proposed in the report?

No.

7 Officers' Recommendation

That the Cabinet Member notes the position on the 2017-18 Revenue Budget.

EMMA ALEXANDER

Strategic Director of Commissioning,
Communities and Policy

PETER HANDFORD

Director of Finance & ICT

APPENDIX 1

BUDGET SAVINGS 2017-18	Proposed Budget Reduction	Amount projected to be achieved
	£	£
Reduction in HR staffing and other running costs	210,000	210,000
Reduction in mail delivery service at County Hall	60,000	60,000
Increase in Shared Service Centre Income	80,000	80,000
Reduction in Registration services and increase in charges	75,000	75,000
Coroners service - re-procurement of contracts	50,000	50,000
Increased use of digitalisation in legal proceedings	30,000	0
Legal staff reductions	50,000	50,000
Revised support to members and electronic distribution of papers for meetings	80,000	0
ICT- Data Centre and network hardware replacement	200,000	200,000
ICT management restructure	110,000	110,000
New wide area network contract	540,000	540,000
Reduction in Corporate landlord & Asset management function	100,000	100,000
Reduction in Property running costs & maintenance	890,000	890,000
Re-negotiating PFI contracts	200,000	200,000
Insurance premiums	170,000	170,000
Reduction in Accountancy support	10,000	10,000
Reduction in support for SAP developments	160,000	160,000
Total	3,015,000	2,905,000

APPENDIX 2

Reserves	Balance as at 31/12/2017
Change Management	4,735,908
Computer Reserve Fund	3,977,162
Property Package Reserve	1,952,788
PFI	1,530,502
Property DSO	3,511,983
Insurance and Risk Management	19,952,699
Equal Pay	809,125
VAT	6,650
BSF Wave 3	623,904
CRD Reserve	2,531,856
CRD Underspend	1,553,290
Demolition of buildings	557,468
Local Authorities Energy Programme	76,274
Business Rates Pool	2,260,067
Budget Management	9,898,000
Uninsured Financial loss	13,000,000
Communities Priorities Programme	729,000
Property IMP scheme	3,932,594
Planned Building Maintenance	5,492,432
Total	77,131,701