

Public

MINUTES of a meeting of the **CABINET MEMBER FOR COUNCIL SERVICES** held on 4 January 2016 at County Hall, Matlock

PRESENT

Cabinet Member – Councillor A Botham

1/16 **MINUTES RESOLVED** that the minutes of the meeting held on 14 December 2015 be confirmed as a correct record and signed by the Cabinet Member.

2/16 **BUDGET MONITORING MONTH 7 2015-16** The controllable budget for the Council Services portfolio was approximately £42m. As at month 7, the budget was showing a forecast overspend of £0.3m for the year. The position statement at month 7 was attached as Appendix 1 to the report. The key variances were as follows:-

Transformation Division – projected underspend £0.278m

The main area of underspend was on staff vacancies. There was also higher than expected income from Services-for-schools.

HR Division – projected underspend £0.419m

The underspend was due to vacancy control. Additional income had also been received from Services-for-schools and the pension fund.

Industrial Development – projected overspend £0.839m

The main reasons for the overspend were the under recovery of forecasted income for industrial units and small business centres brought about by the economic downturn in 2008, and the additional costs arising from having to pay non-domestic rates liability payable on empty units.

There was also a provision for the write-off of approximately £200k of bad debts which mainly arose during the economic downturn and had little prospect of being recovered as all potential approaches had now been exhausted. Options for the future delivery of the service were being considered.

CRD Centrally held budgets – projected overspend £0.279m

The department had a number of posts which were created on the basis that they would become self-financing over the medium term. A number of initiatives were under way which would meet the financing objectives for these posts and would result in additional resources being transferred into this

heading at the point the impact of the posts had been assessed and realised. This was expected to happen in 2016-17.

Corporate Efficiencies – projected overspend £0.519m

These were the unallocated efficiency savings which had yet to be identified within the Corporate budgets. An exercise was underway to allocate and capture savings across the department in 2016-17 to meet this target. The projected overspend in 2015-16 would be met by contribution from CRD reserves. The measures outlined were expected to put the budget back into balance in 2016-17 without the need to rely on earmarked reserves.

Budget reductions totalling £4.2m had been allocated and would be achieved by the end of the financial year. The table showing performance against target was attached at Appendix 2 to the report.

The savings would be achieved by the end of the financial year apart from the following:

Introduction of SAP E-recruitment to facilitate data flows and enhanced self-service £0.127m – There was a delay in project implementation.

Developing Business warehouse to provide management information £0.066m – There was a delay in setting up the Business warehouse team to develop this.

Earmarked reserves totalling £50m were currently held to support future expenditure. Details of all reserves were shown at Appendix 3 to the report and the larger ones were as follows:-

Property DSO £4.302m

The reserve mainly covered the replacement of large pieces of equipment and also provided a contingency against future losses.

CRD Reserve £8.916m

The department had provided for building projects which had received member approval but not yet started.

Change Management £6.211m

The Change Management Reserve had been established to meet the one-off costs of the change management programme that could not be met from within the annual base budget.

Insurance and Risk Management Reserve £17.524m

This was established to meet the costs of liabilities and claims incurred but not yet made against the Council. The adequacy of this balance was regularly verified by independent actuaries.

RESOLVED to note the position on the 2015-16 Revenue Budget.

3/16 **EXCLUSION OF THE PUBLIC** **RESOLVED** to exclude the public from the meeting during the consideration of the remaining items on the agenda to avoid the disclosure of exempt or confidential information.

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC WERE EXCLUDED FROM THE MEETING

1. To confirm the exempt minutes of the meeting held on 14 December 2015
2. To consider the exempt reports of the Strategic Director Corporate Resources on:-
 - a) Sale of property at Church Gresley
 - b) Sale of property at Chesterfield and Clowne
(contains information relating to the financial or business affairs of any particular person (including the Authority holding that information))