

## DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER - HIGHWAYS, TRANSPORT AND  
INFRASTRUCTURE

10 November 2015

Joint Report of the Strategic Director - Economy, Transport and Environment  
and the Director of Finance

## BUDGET MONITORING 2015-16 – PERIOD 5

(1) **Purpose of Report** To provide the Cabinet Member with an update of the Revenue Budget position for 2015-16 up to the end of August 2015 – Period 5.

(2) **Information and Analysis** The net controllable budget for the Highways, Transport and Infrastructure Portfolio is £79.685m. The Revenue Budget Monitoring Statement, prepared at Period 5, indicates that there is a projected year end overspend of £1.241m which will be funded from Economy, Transport and Environment Earmarked Reserves and General Reserves. The areas which make up this projection are shown in the table below:

	Controllable Budget £m	Projected Outturn 2015-16 £m	Projected Over/(Under) Spend for year £m
Departmental Management Team	0.574	0.522	(0.052)
Highways Maintenance	15.760	17.299	1.539
Highway Management (excluding Maintenance)	3.408	3.324	(0.084)
Road Safety	0.771	0.662	(0.109)
Transport and Travel	15.796	15.942	0.146
Waste Management	36.696	35.756	(0.940)
Countryside	2.528	2.486	(0.042)
Derwent Valley Mills	0.179	0.165	(0.014)
Conservation and Design	0.557	0.541	(0.016)
Digital Derbyshire	0.190	0.208	0.018
Planning and Development	1.278	0.947	(0.331)
Resources and Improvement	3.013	2.686	(0.327)
Superannuation Back Funding	0.323	0.311	(0.012)
Unallocated Budget	(1.388)	0.077	1.465
<b>Total</b>	<b>79.685</b>	<b>80.926</b>	<b>1.241</b>
Use of Earmarked Reserves	0.241	0	(0.241)
Use of General Reserves	1.000	0	(1.000)
<b>Revised Year End Projection</b>	<b>80.926</b>	<b>0</b>	<b>0</b>

## Key Variances

### Highways Maintenance projected overspend £1.539m

The main area of overspend relates to winter maintenance which is currently projected to overspend by £1.341m.

### Waste Management projected underspend (£0.940m)

A substantial element of this underspend is as a result of the 2015-16 one-off landfill diversion saving, negotiated with the Council's long term work contractor (£0.704m).

### Unallocated Budget £1.465m

This relates to staffing budget cuts, which have not yet been allocated to specific sections, and is therefore currently showing as an overspend. It will be allocated before the year end.

Budget reductions totalling £5.099m were allocated for the year for this Portfolio. It is anticipated that £4.039m of these will have been achieved by the year end. The table below shows performance against the target.

	<b>Budget Reduction Amount £m</b>	<b>Will be Achieved Amount £m</b>	<b>Will Not be Achieved £m</b>
Staffing	1.333	1.333	
Highway Maintenance	1.000	1.000	
B_Line	0.315	0.315	
Community Transport	0.300	0.300	
Street Lighting LED Energy	0.270	0.270	
Countryside Services	0.225	0.225	
Gold Card	0.200	0.200	
Winter Maintenance	0.200	0.200	
Permit Scheme	0.100	0.100	
School Crossing Patrols	0.096	0.096	
Derwent Valley Mills – to be reallocated	0.060		0.060
Reduction in Revenue Support for local bus services	1.000		1.000
<b>Total</b>	<b>5.099</b>	<b>4.039</b>	<b>1.060</b>

Reasons for non-achievement of budget reductions:

At the meeting on 7 July 2015, Cabinet agreed not to implement the £0.060m to Derwent Valley Mills in 2015-16, but to defer to 2016-17 to enable new governance arrangements to be implemented before a staffing review is undertaken (Minute No. 254/15 refers).

Cabinet agreed on 27 January 2015 to support the provision of local bus services, the cost of which would be met from General Reserves over two years (Minute No. 37/15 refers).

### Earmarked Reserves

Earmarked Reserves relating to this portfolio totalling £25.060m are currently held to support future expenditure. Details of these reserves are shown below:

	<b>Amount £m</b>
Grants (including £1.9m Road Safety PSA II)	2.087
Committed Liabilities – Revenue	2.620
Committed Liabilities – Capital	14.503
Winter Maintenance	2.000
Partnership and other Councils' monies held by Derbyshire County Council	0.224
Derwent Valley Mills World Heritage Site	0.162
Laboratory and Fleet Equipment	0.151
Waste Recycling Initiatives	0.391
Non-Committed Reserves including previous years underspends	2.922
<b>Total Earmarked Reserves</b>	<b>25.060</b>
Use of Reserves	0.241
<b>Revised Earmarked Reserves</b>	<b>24.819</b>

### Other 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.

(3) **Key Decision** No.

(4) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(5) **Background Papers** Held on file within the Economy, Transport and Environment Department. Officer contact details – Karen Howes, extension 38730.

(6) **OFFICER'S RECOMMENDATION** That the Cabinet Member notes the report.

**Mike Ashworth**  
Strategic Director – Economy,  
Transport and Environment

**Peter Handford**  
Director of Finance

## Highway, Transport and Infrastructure Portfolio - Period 5 2015-16

## Appendix 1

Forecast by Section	Budget £	Period 5 Actual Costs £	Rest of Year Estimate £	Year End Forecast £	(Under)/Over Spend £
Departmental Management Team	573,745	216,306	305,695	522,001	(51,744)
Highways Maintenance	15,759,669	3,831,885	13,467,355	17,299,240	1,539,571
Highway Management (excluding Maintenance)	3,407,816	6,741,352	(3,417,557)	3,323,795	(84,021)
Road Safety	771,179	102,388	559,295	661,683	(109,496)
Transport and Travel	15,796,102	2,790,169	13,151,652	15,941,821	145,720
Waste Management	36,695,783	13,102,114	22,654,215	35,756,329	(939,454)
Countryside	2,528,411	932,912	1,552,962	2,485,874	(42,537)
Derwent Valley Mills World Heritage Site	179,178	29,989	134,803	164,792	(14,386)
Conservation and Design	557,582	179,697	361,807	541,504	(16,078)
Digital Derbyshire	190,192	64,482	144,182	208,664	18,472
Planning and Development	1,277,587	(120,116)	1,066,801	946,685	(330,902)
Resources and Improvement	3,012,982	1,327,083	1,358,696	2,685,779	(327,203)
Superannuation Back Funding	323,497	77,673	233,411	311,084	(12,413)
Unallocated Budget	(1,388,157)	(203,322)	280,472	77,150	1,465,307
<b>TOTAL</b>	<b>79,685,566</b>	<b>29,072,612</b>	<b>51,853,789</b>	<b>80,926,401</b>	<b>1,240,835</b>