

**Agenda Item No.3**

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER FOR STRATEGIC POLICY AND BUDGET**

**10 November 2014**

**Report of the Chief Executive and the Director of Finance**

**BUDGET MONITORING 2014-2015 – MONTH 5**

**1 Purpose of the Report**

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

**2 Information and Analysis**

**2.1 Summary**

The budget for the Strategic, Policy and Budget portfolio is approximately £6.0m. The budget monitoring is currently projecting an underspend of £0.570m, as detailed in Appendix A.

**2.2 Key variances**

**Communications - projected underspend £0.210m**

The key underspends of £0.410m relate to staffing within the Call Derbyshire and Communications, due to strict vacancy control during the recent review of how the Council communicates with stakeholders, and a reduction in expenditure on printed publications, by reducing the volume of printed materials and reducing print costs. However, it is anticipated that in order to implement new structures and develop the Communications and Engagement Strategy (as a result to the recent review) ongoing costs of approximately £0.200m may be incurred, which will reduce the current level of underspend but achieve required budget savings.

**Policy and Research - projected underspend £0.199m**

The underspend is mainly due to a gradual reduction in the number of payments to other local authorities in Derbyshire for the administration of Local Area Forums. There are also underspends of approximately £0.070m on a number of budgets covering staffing, travel and supplies and services.

## **2.3 Reserves**

The current balances on the Department's Earmarked Reserves, totaling £18.282m, are listed in Appendix 2.

## **2.4 Budget Reductions**

Budget reductions totaling £0.174m were allocated and £0.417m has been achieved, generating front loaded savings of £0.243m. The table showing performance against target is attached as Appendix 3. However, as mentioned earlier in the report, an element of these savings may be needed to cover the implementation of the recent review of Communications.

## **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 and transport considerations.

## **4 Key Decision**

No.

## **5 Background Papers**

Working papers held in Corporate Finance Accountancy Section.

## **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 monitoring position on the 2014-15 revenue budget.

IAN STEPHENSON

Chief Executive

PETER HANDFORD

Director of Finance

28 October 2014

**APPENDIX 1**

**STRATEGIC, POLICY AND BUDGET  
BUDGET MONITORING 2014/15  
AUGUST 2014**

DIVISION	2014/15	ACTUALS TO DATE	REST OF YEAR FORECAST	2014/15	CONTROLLABLE
	CONTROLLABLE BUDGET £			CONTROLLABLE FORECAST £	(UNDER)/ OVER £
<b>COMMUNICATIONS</b>	3,768,215	1,332,723	2,025,633	3,558,356	(209,859)
<b>POLICY AND RESEARCH</b>					
- Policy Unit	1,469,055	558,019	712,379	1,270,398	(198,657)
- Performance Management	104,709	0	104,709	104,709	0
- Troubled Families Initiative	87,500	20,208	67,292	87,500	0
<b>CHIEF EXECUTIVE</b>	621,131	296,375	363,750	660,125	38,994
<b>TOTAL</b>	<b>6,050,610</b>	<b>2,207,325</b>	<b>3,473,763</b>	<b>5,681,088</b>	<b>(369,522)</b>

**APPENDIX 2****Earmarked Reserves**

	<b>Balance at 01.04.2014 £</b>	<b>Movements up to 31.08.2014 £</b>	<b>Balance at 31.08.2014 £</b>
Troubled Families Initiative	171,772	0	171,772
Literacy	116,838	0	116,838
Fostering Publicity	90,145	0	90,145
Performance Management Innovation Programme	50,000	0	50,000
Support	0	50,000	50,000
Equal Pay	15,200,000	(15,734)	15,184,266
Derbyshire Challenge Fund	543,583	2,000,000	2,543,583
Invest to Save	247,000	(172,000)	75,000
<b>TOTAL</b>	<b>16,419,338</b>	<b>1,862,266</b>	<b>18,281,604</b>

**APPENDIX 3****Budget Reductions**

	<b>Budget Reduction target £</b>	<b>Achieved Amount £</b>	<b>Front loaded £</b>
<b>POLICY</b>			
Reduction in staffing	35,320	35,320	0
Reduction in inflationary increases to VCS organisations	0	4,500	4,500
<b>POLICY TOTAL</b>	<b>35,320</b>	<b>39,820</b>	<b>4,500</b>
<b>COMMUNICATIONS</b>			
Reduction in staffing and publicity expenditure	123,045	304,000	180,955
<b>COMMUNICATIONS TOTAL</b>	<b>123,045</b>	<b>422,000</b>	<b>298,955</b>
<b>SECRETARIES</b>			
Removal of civic cars x 3 and designated chauffeurs	5,682	44,912	39,230
<b>SECRETARIES TOTAL</b>	<b>5,682</b>	<b>44,912</b>	<b>39,230</b>
<b>CHIEF EXECUTIVES</b>			
Reduction in staffing	10,311	28,183	17,872
<b>CHIEF EXECUTIVES TOTAL</b>	<b>10,311</b>	<b>28,183</b>	<b>17,872</b>