

Agenda Item No.4

DERBYSHIRE COUNTY COUNCIL

**CABINET MEMBER FOR STRATEGIC POLICY, ECONOMIC
DEVELOPMENT AND BUDGET**

13 December 2016

Report of the Chief Executive and the Director of Finance

BUDGET MONITORING 2016-17 - MONTH 5

1 Purpose of the Report

To inform the Cabinet Member of the current budget monitoring position as at the end of month 5 (April to August 2016).

2 Information and Analysis

2.1 Summary

The budget for the Strategic Policy, Economic Development and Budget portfolio currently stands at approximately £8.432m. The budget monitoring for month 5 is currently showing an underspend of £0.256m, as detailed in Appendix 1; although it is anticipated that there will not be this level of underspend at the end of the year.

2.2 Key variances

Chief Executives – underspend £0.178m

The key underspend relates to the front loaded savings from 2014-15, which will be used to provide capacity for essential Council priorities including communication and policy and to manage the budget cuts within Chief Executive's Office. As such an underspend at the year end is not anticipated.

2.3 Reserves

The current balances on the Earmarked Reserves (including reserves held corporately, by the Chief Executive's Office and by the Economy, Transport and Communities Department), totaling £6.408m, are listed in Appendix 2. These have been earmarked for corporate issues or committed to projects and initiatives that contribute to the Council's Council Plan pledges and priorities.

2.4 Budget Reductions

Budget reductions totaling £0.425m have been allocated to Chief Executive's Office budgets in 2016-17, although it has been agreed to rear end the budget cuts for the department into 2019-20. As such £0.338m cuts have been achieved against the in-year target, as identified in the table at Appendix 3.

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, transport and social value considerations.

4 Key Decision

No.

5 Background Papers

Working papers held in the 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 Officer's Recommendation

That the Cabinet Member notes the monitoring position for period 5 on the 2016-17 revenue budget.

IAN STEPHENSON

Chief Executive

PETER HANDFORD

Director of Finance

APPENDIX 1

STRATEGIC, POLICY AND BUDGET BUDGET MONITORING 2016/17 AUGUST 2016					
DIVISION	2016/17 CONTROLLABLE BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2016/17 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
<u>CHIEF EXECUTIVES DEPARTMENT</u>					
COMMUNICATIONS					
- Communications	1,427,141	549,757	878,326	1,428,083	942
- Call Derbyshire	1,901,440	741,065	1,103,341	1,844,406	-57,034
COMMUNICATIONS TOTAL	3,328,581	1,290,822	1,981,667	3,272,489	-56,092
POLICY AND RESEARCH					
- Policy Unit	1,417,962	622,129	786,190	1,408,319	-9,643
- Thriving Communities	39,564	39,564	0	39,564	0
POLICY AND RESEARCH TOTAL	1,457,526	661,693	786,190	1,447,883	-9,643
PERFORMANCE MANAGEMENT	107,845	30,802	61,225	92,027	-15,818
CHIEF EXECUTIVE					
- Management	473,753	150,168	228,830	378,998	-94,755
- Secretariat	833,892	355,797	476,434	832,231	-1,661
- Transformation Challenge Award	423,177	78,570	344,607	423,177	0
- Innovations & Transformation Team	484,506	203,428	281,078	484,506	0
- Refugees - VPR Partnership	90,000	-15,386	105,386	90,000	0
- One Public Estate	37,500	25,000	12,500	37,500	0
CHIEF EXECUTIVE'S TOTAL	2,342,828	797,577	1,448,835	2,246,412	-96,416
CHIEF EXECUTIVE'S DEPARTMENT TOTAL	7,236,780	2,780,894	4,277,917	7,058,811	-177,969
<u>ECONOMIES, TRANSPORT AND COMMUNITIES</u>					
REGENERATION	1,195,542	396,344	761,882	1,158,226	-37,316
ECONOMIES, TRANSPORT AND COMMUNITIES TOTAL	1,195,542	396,344	761,882	1,158,226	-37,316
TOTAL	8,432,322	3,177,238	5,039,799	8,217,037	-215,285

APPENDIX 2**Ear Marked Reserves**

	Balance at 31.08.2016
Thriving Communities Initiative	205,907
Literacy	16,838
Fostering Publicity	12,568
Performance Management	145,000
Innovation Programme Support	50,000
Equal Pay - including Legal Costs	1,393,206
Derbyshire Challenge Fund	987,019
Call Derbyshire automation - Speech recognition	70,000
GIS	65,000
Partnership Forum	29,007
Innovations & Transformation	730,322
Transformation Challenge Award	455,999
Combined Authority Consultant	76,000
Apprenticeship Scheme Committed Liability - Revenue	109,000
Markham Vale Seymour Impact Assessment Committed Liability	100,000
Markham Vale Centre Extension Committed Liability - Revenue	114,463
D2N2 - Demand Stimulation	100,000
D2 Enterprise Growth Fund Committed Liability - Revenue	200,000
D2EE Committed Liability - Revenue	62,333
Derbyshire Economic Partnership Committed Liability - Revenue	90,000
Rural Development Programme for England	4,905
County Wide Approach to External Funding Committed Liability - Revenue	135,659
D2 Business Development Committed Liability - Revenue	108,333
Strategy Policy Budget underspends	1,146,000
	6,407,559

APPENDIX 3

	Budget Reduction target £m	Achieved Amount £m
POLICY		
Reduction in staffing		0.031
Reduction in Corporate Consultation budget		0.006
Reduction in Corporate Sustainability budget		0.001
Reduction in Corporate Equalities budget		0.001
Reduction in funding to VCS organisations		0.027
POLICY TOTAL		0.066
COMMUNICATIONS		
Reduction in staffing		0.073
Reduction in publicity budget		0.030
Your Derbyshire - reduction in print costs and removal of boundary match		0.040
Reduction in Gold Card budget		0.032
Excellence in the Community Publicity budget - remove from base		0.003
Reduction in Digital Software budget		0.004
Reduction in general budgets		0.011
COMMUNICATIONS TOTAL		0.192
CHIEF EXECUTIVES		
Secretaries and Members Support - reduction in staffing		0.080
CHIEF EXECUTIVES TOTAL		0.080
TOTAL	0.425	0.338