

DERBYSHIRE COUNTY COUNCIL

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

15 March 2015

Report of the Chief Executive and the Director of Finance

BUDGET MONITORING 2015-16 – MONTH 9

1 Purpose of the Report

To inform the Cabinet Member of the current budget monitoring position as at the end of month 9 (April to December 2015).

2 Information and Analysis

2.1 Summary

The budget for the Strategic Policy, Economic Development and Budget portfolio currently stands at approximately £8.452m. The budget monitoring for month 9 is currently projecting an underspend of £0.979m, as detailed in Appendix 1.

2.2 Key variances

Communications – projected underspend £0.416m

The key underspends relate to staffing within Call Derbyshire and Communications, due to strict vacancy control to help plan for and meet future budget reductions and vacancies in Call Derbyshire, which are currently being recruited into. This underspend will reduce in 2016-17 due to full years costs of newly recruited staff.

Chief Executives – projected underspend £0.182m

The Chief Executive's Office, excluding Regeneration, has achieved savings of £0.412m, compared to the 2014-15 target of £0.175m resulting in front loaded savings of £0.237m. This will be utilised to fund service pressures and meet savings targets in future years.

On 15 December 2015, the Cabinet Member agreed to fund a consultant to support the Council in delivering requirements for a Combined Authority and associated devolution deal. This will be funded from the Chief Executive's 2015-16 underspend. Any balance of the commitment remaining at the end of the financial year will be transferred into reserves.

Policy – projected underspend £0.219m

The key underspends relate to staffing created by vacancies within Policy and Research Division, although this underspend will reduce significantly as posts are recruited to, and an underspend in the Consultancy budget.

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 Environment Department), totaling £6.161m, are listed in Appendix 2. The balance on reserves is after the transfer of £13.400m from Chief Executive's Office reserves into general reserves. The rest 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 £0.496m were allocated in 2015-16 and £0.496m was achieved in April 2015. The table showing performance against target is attached as 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 and transport 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 Officers' Recommendation

That the Cabinet Member notes the monitoring position for period 9 on the 2015-16 revenue budget.

IAN STEPHENSON
Chief Executive

PETER HANDFORD
Director of Finance

APPENDIX 1

**BUDGET MONITORING 2015-16
DECEMBER 2015**

DIVISION	2015-16 CONTROLLABLE BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2015-16 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
<u>CHIEF EXECUTIVE'S DEPARTMENT</u>					
COMMUNICATIONS					
- Communications	1,528,393	943,068	336,032	1,279,100	-249,293
- Call Centre	1,872,367	1,294,392	411,473	1,705,865	-166,502
COMMUNICATIONS TOTAL	3,400,760	2,237,460	747,505	2,984,965	-415,795
POLICY AND RESEARCH					
- Policy unit	1,317,016	955,803	141,917	1,097,720	-219,296
- Thriving Families Initiative	0	7,426	-7,426	0	0
POLICY AND RESEARCH TOTAL	1,317,016	963,229	134,491	1,097,720	-219,296
PERFORMANCE MANAGEMENT	202,845	60,124	142,721	202,845	0
CHIEF EXECUTIVE					
- Management	604,268	272,681	149,906	422,587	-181,681
- Secretariat	462,949	167,188	258,317	425,505	-37,444
- Transformation Challenge	745,000	254,076	490,924	745,000	0
- Innovation & Transformation	494,858	5,166	489,692	494,858	0
CHIEF EXECUTIVE'S TOTAL	2,307,075	699,111	1,388,839	2,087,950	-219,125
CHIEF EXECUTIVE'S DEPARTMENT TOTAL	7,227,696	3,959,924	2,413,556	6,373,480	-854,216
<u>ECONOMY, TRANSPORT & ENVIRONMENT DEPARTMENT</u>					
REGENERATION	1,224,265	434,758	664,877	1,099,635	-124,630
ECONOMY, TRANSPORT & ENVIRONMENT TOTAL	1,224,265	434,758	664,877	1,099,635	-124,630
TOTAL	8,451,961	4,394,682	3,078,433	7,473,115	-978,846

APPENDIX 2**Ear Marked Reserves**

	Balance at 31.12.2015
Thriving Families Initiative	213,483
Literacy	16,838
Fostering Publicity	13,568
Performance Management	50,000
Innovation Programme Support	50,000
Equal Pay - including Legal Costs	2,000,000
Derbyshire Challenge Fund	1,118,431
Invest to Save	75,000
Call Derbyshire automation - Speech recognition	70,000
GIS	65,000
Derbyshire Economic Partnership Committed Liability - Revenue	90,000
Partnership Forum	29,007
Innovations & Transformation	960,000
Apprenticeship Scheme Committed Liability - Revenue	100,000
Markham Vale Seymour Impact Assessment Committed Liability	100,000
Markham Vale Centre Extension Committed Liability - Revenue	280,041
D2N2 - Demand Stimulation	100,000
D2 Enterprise Growth Fund Committed Liability - Revenue	200,000
D2EE Committed Liability - Revenue	62,333
County Wide Approach to External Funding Committed Liability - Revenue	236,165
D2 Business Development Committed Liability - Revenue	108,333
Strategy Policy Budget underspends	223,000
	6,161,199

APPENDIX 3**Budget Reductions 2015-16**

	Budget Reduction target £m	Achieved Amount £m
POLICY		
Reduction in staffing	0.030	0.030
Reduction in Corporate Consultation budget	0.011	0.011
Reduction in Corporate Sustainability budget	0.001	0.001
Reduction of Corporate Equalities budget	0.001	0.001
Reduction in Corporate Literacy budget	0.001	0.001
Cessation of support to Local Area Forums	0.084	0.084
POLICY TOTAL	0.128	0.128
COMMUNICATIONS		
Reduction in staffing	0.194	0.194
Reduction in publicity budget	0.094	0.094
Reduction in non- recruitment advertising budget	0.005	0.005
COMMUNICATIONS TOTAL	0.293	0.293
CHIEF EXECUTIVES		
Deletion of Derbyshire County PCT budget - now Public Health	0.075	0.075
CHIEF EXECUTIVES TOTAL	0.075	0.075
TOTAL	0.496	0.496