

Agenda Item No.3

DERBYSHIRE COUNTY COUNCIL

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

20 January 2015

Report of the Chief Executive and the Director of Finance

BUDGET MONITORING 2014-2015 – MONTH 7

1. Purpose of the Report

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

2. Information and Analysis

2.1 Summary

As part of the re-organisation of the portfolios Economic Development has transferred from Jobs, Economy and Transport. The budget for the Strategic, Policy, Economic Development and Budget portfolio is approximately £7.0m. The budget monitoring is currently projecting an underspend of £0.753m, as detailed in Appendix 1.

2.2 Key variances

Communications – projected underspend £0.464m

The key underspends relate to staffing within the Call Derbyshire and Communications, due to strict vacancy control during the recent review of the Council's communications functions. Also, there has been a reduction in expenditure on printed publications, by reducing the volume of printed materials and reducing print costs.

Policy and Research – projected underspend £0.206m

The underspend is mainly due to staffing and the non-filling of held vacancies, to enable the budget cuts targets for the service to be achieved. There has also been 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 travel and supplies and services.

Regeneration – projected underspend £0.150m

The Regeneration underspend is due mainly to an underspend on Tourism Marketing and the salaries budgets.

2.3 Reserves

The current balances on the Department's Earmarked Reserves, totaling £24.381m, are listed in Appendix 2.

2.4 Budget Reductions

Budget reductions totaling £0.255m were allocated and £0.504m has been achieved at present, generating potential front loaded savings of £0.249m. 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 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' RECOMMENDATIONS

That the Cabinet Member notes the monitoring position on the 2014-15 revenue budget.

Ian Stephenson
Chief Executive

Peter Handford
Director of Finance

APPENDIX 1

STRATEGIC, POLICY AND BUDGET BUDGET MONITORING 2014/15 OCTOBER 2014					
DIVISION	2014/15 CONTROLLABLE BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2014/15 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
<u>CHIEF EXECUTIVE'S DEPARTMENT</u>					
COMMUNICATIONS					
- Communications	1,599,877	811,202	730,318	1,541,520	-58,357
- Call Centre	1,796,846	996,907	482,707	1,479,614	-317,232
- Website	183,859	48,637	133,205	181,842	-2,017
- Gold Card	64,959	932	32,000	32,932	-32,027
- B-Line	43,682	-41,520	30,751	-10,769	-54,451
COMMUNICATIONS TOTAL	3,689,223	1,816,158	1,408,981	3,225,139	-464,084
POLICY AND RESEARCH					
- Policy unit	1,476,915	714,712	556,212	1,270,924	-205,991
- Thriving Families Initiative	87,500	13,316	74,184	87,500	0
POLICY AND RESEARCH TOTAL	1,564,415	728,028	630,396	1,358,424	-205,991
PERFORMANCE MANAGEMENT	105,458	56	105,402	105,458	0
CHIEF EXECUTIVE					
- Management	336,143	267,580	163,542	431,122	94,979
- Secretariat	287,001	144,807	114,859	259,666	-27,335
CHIEF EXECUTIVE'S TOTAL	623,144	412,387	278,401	690,788	67,644
<u>ECONOMY, TRANSPORT & ENVIRONMENT DEPARTMENT</u>					
REGENERATION	947,119	286,037	510,726	796,763	-150,356
ECONOMY, TRANSPORT & ENVIRONMENT TOTAL	947,119	286,037	510,726	796,763	-150,356
TOTAL	6,823,901	3,242,610	2,828,504	6,071,114	-752,787

APPENDIX 2

Ear Marked Reserves

	Balance at 31.10.2014
Troubled Families Initiative	171,772
Literacy	116,838
Fostering Publicity	90,145
Performance Management	50,000
Innovation Programme Support	50,000
Equal Pay	15,184,266
Derbyshire Challenge Fund	2,543,583
Invest to Save	75,000
GIS Procurement	100,000
Call Derbyshire automation - Speech recognition	70,000
Derbyshire Economic Partnership Committed Liability - Revenue	16,083
Apprenticeship Scheme Committed Liability - Revenue	368,200
Markham Vale Seymour Impact Assessment Committed Liability - Revenue	100,000
3D Broadband Project Team Committed Liability - Revenue	121,168
Markham Vale Centre Extension Committed Liability - Revenue	363,480
Broadband Project Committed Liability - Capital	4,856,000
Food & Drink Fair General Uncommitted Reserves	22,000
Other reserves	82,682
	24,381,217

NB Reserves have increased by £5.897m due to the addition of Economic Development to the portfolio.

APPENDIX 3

Budget Reductions

	Budget Reductions Achieved
POLICY	
Reduction in staffing	35,927
POLICY TOTAL	35,927
COMMUNICATIONS	
Reduction in staffing and publicity expenditure	197,000
Reduction in publicity budget	40,000
Reduction of Your Derbyshire print costs	20,000
Reduction on Gold Card budget	20,000
Young Achievers publicity budget	15,000
Excellence in Community Publicity budget	15,000
Reduction in training, travel and subsistence, and postage budgets	8,000
COMMUNICATIONS TOTAL	315,000
SECRETARIES	
Removal of civic cars x 3 and designated chauffeurs	44,912
SECRETARIES TOTAL	44,912
CHIEF EXECUTIVES	
Reduction in staffing	28,183
CHIEF EXECUTIVES TOTAL	28,183
REGENERATION	
Reduction in back office and general efficiencies	80,000
REGENERATION TOTAL	80,000
Total Budget Reductions Achieved	504,022
Budget reduction target 2014/15	254,965
Front Loaded Savings	249,057