

**Agenda Item No.3**

**DERBYSHIRE COUNTY COUNCIL**

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

**22 September 2015**

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

**BUDGET MONITORING 2015-16 – MONTH 3**

**1. Purpose of the Report**

To inform the Cabinet Member of the current budget monitoring position as at the end of month 3 (April to June 2015).

**2. Information and Analysis**

**2.1 Summary**

As part of the re-organisation of portfolios, Economic Development has transferred from Jobs, Economy and Transport. The budget for the Strategic Policy, Economic Development and Budget portfolio currently stands at approximately £7.7m. The budget monitoring for month 3 is currently projecting an underspend of £0.656m, as detailed in Appendix 1.

**2.2 Key variances**

**Communications**

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. This underspend will reduce in 2016-17 due to full years costs of newly recruited staff.

**Chief Executives – projected underspend £0.227m**

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 utilized to meet savings targets in future years.

## **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 £19.460m, 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 £0.496m 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' RECOMMENDATIONS**

That the Cabinet Member notes the monitoring position for period 3 on the 2015-16 revenue budget.

**Ian Stephenson**  
**Chief Executive**

**Peter Handford**  
**Director of Finance**



## APPENDIX 1

STRATEGIC, POLICY AND BUDGET BUDGET MONITORING 2015/16 JUNE 2015					
DIVISION	2015/16 CONTROLLABLE BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2015/16 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
<b><u>CHIEF EXECUTIVE'S DEPARTMENT</u></b>					
COMMUNICATIONS					
- Communications	1,288,234	297,302	868,389	1,165,691	-122,543
- Call Centre	2,089,609	540,004	1,418,148	1,958,152	-131,457
<b>COMMUNICATIONS TOTAL</b>	<b>3,377,843</b>	<b>837,306</b>	<b>2,286,537</b>	<b>3,123,843</b>	<b>-254,000</b>
POLICY AND RESEARCH					
- Policy unit	1,317,016	343,820	934,457	1,278,277	-38,739
- Thriving Families Initiative	87,500	0	87,500	87,500	0
<b>POLICY AND RESEARCH TOTAL</b>	<b>1,404,516</b>	<b>343,820</b>	<b>1,021,957</b>	<b>1,365,777</b>	<b>-38,739</b>
<b>PERFORMANCE MANAGEMENT</b>	<b>107,845</b>	<b>17,950</b>	<b>26,500</b>	<b>44,450</b>	<b>-63,395</b>
CHIEF EXECUTIVE					
- Management	604,693	105,008	310,625	415,633	-189,060
- Secretariat	249,904	57,225	154,738	211,963	-37,941
- Transformation Challenge	805,900	139,604	666,296	805,900	0
<b>CHIEF EXECUTIVE'S TOTAL</b>	<b>1,660,497</b>	<b>301,837</b>	<b>1,131,659</b>	<b>1,433,496</b>	<b>-227,001</b>
<b><u>ECONOMY, TRANSPORT &amp; ENVIRONMENT DEPARTMENT</u></b>					
REGENERATION	1,265,016	-856,328	2,048,080	1,191,752	-73,264
<b>ECONOMY, TRANSPORT &amp; ENVIRONMENT TOTAL</b>	<b>1,265,016</b>	<b>-856,328</b>	<b>2,048,080</b>	<b>1,191,752</b>	<b>-73,264</b>
<b>TOTAL</b>	<b>7,815,717</b>	<b>644,585</b>	<b>6,514,733</b>	<b>7,159,318</b>	<b>-656,399</b>

**APPENDIX 2****Ear Marked Reserves**

	<b>Balance at 30.06.2015</b>
Thriving Families Initiative	213,483
Literacy	116,838
Fostering Publicity	13,568
Performance Management	50,000
Innovation Programme Support	50,000
Equal Pay - including Legal Costs	15,308,266
Derbyshire Challenge Fund	2,589,596
Invest to Save	75,000
Call Derbyshire automation - Speech recognition	170,000
Govdelivery	50,000
Derbyshire Economic Partnership Committed Liability - Revenue	16,083
Buxton Crescent Legal Fees	50,000
Apprenticeship Scheme Committed Liability - Revenue	226,200
Markham Vale Seymour Impact Assessment Committed Liability	100,000
Markham Vale Centre Extension Committed Liability - Revenue	280,041
Food & Drink Fair General Uncommitted Reserves	22,000
D2N2 - Demand Stimulation	100,000
Other reserves	29,007
	<b>19,460,082</b>

## APPENDIX 3

## Budget Reductions 2015/16

	Budget Reduction target £m	Achieved Amount £m
<b>POLICY</b>		
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
<b>POLICY TOTAL</b>	<b>0.128</b>	<b>0.128</b>
<b>COMMUNICATIONS</b>		
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
<b>COMMUNICATIONS TOTAL</b>	<b>0.293</b>	<b>0.293</b>
<b>CHIEF EXECUTIVES</b>		
Deletion of Derbyshire County PCT budget - now Public Health	0.075	0.075
<b>CHIEF EXECUTIVES TOTAL</b>	<b>0.075</b>	<b>0.075</b>
<b>TOTAL</b>	<b>0.496</b>	<b>0.496</b>