

Agenda Item No.3

DERBYSHIRE COUNTY COUNCIL

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

4 April 2017

Report of the Chief Executive and the Director of Finance

BUDGET MONITORING 2016-17 - 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 2016).

2 Information and Analysis

2.1 Summary

The budget for the Strategic Policy, Economic Development and Budget portfolio currently stands at approximately £8.567m. The budget monitoring for month 9 is currently showing an underspend of £0.468m, 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 £0.364m

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, and strict vacancy control.

Regeneration - underspend £0.104m

The main underspend in Regeneration is due to staffing.

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 £8.054m, 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 Officers' Recommendation

That the Cabinet Member notes the monitoring position for period 9 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 DECEMBER 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 | 1,474,491 | 909,159 | 507,103 | 1,416,262 | -58,229 |
| - Call Derbyshire | 1,923,418 | 1,358,073 | 478,345 | 1,836,418 | -87,000 |
| COMMUNICATIONS TOTAL | 3,397,909 | 2,267,232 | 985,448 | 3,252,680 | -145,229 |
| POLICY AND RESEARCH | | | | | |
| - Policy Unit | 1,473,943 | 1,080,829 | 310,710 | 1,391,539 | -82,404 |
| - Thriving Communities | 146,407 | 121,550 | 24,857 | 146,407 | 0 |
| POLICY AND RESEARCH TOTAL | 1,620,350 | 1,202,379 | 335,567 | 1,537,946 | -82,404 |
| PERFORMANCE MANAGEMENT | 167,845 | 140,351 | 18,960 | 159,311 | -8,534 |
| CHIEF EXECUTIVE | | | | | |
| - Management | 442,953 | 384,252 | -25,613 | 358,639 | -84,314 |
| - Secretariat | 868,764 | 595,311 | 228,067 | 823,378 | -45,386 |
| - Transformation Challenge Award | 404,283 | 198,975 | 205,308 | 404,283 | 0 |
| - Innovations & Transformation Team | 497,372 | 369,877 | 127,495 | 497,372 | 0 |
| - Refugees - VPR Partnership | 0 | 1,331 | 0 | 1,331 | 1,331 |
| - One Public Estate | 12,500 | 12,500 | | 12,500 | 0 |
| CHIEF EXECUTIVE'S TOTAL | 2,225,872 | 1,562,246 | 535,257 | 2,097,503 | -128,369 |
| CHIEF EXECUTIVE'S DEPARTMENT TOTAL | 7,411,976 | 5,172,208 | 1,875,232 | 7,047,440 | -364,536 |
| <u>ECONOMIES, TRANSPORT AND COMMUNITIES</u> | | | | | |
| REGENERATION | 1,154,626 | 664,225 | 386,722 | 1,050,947 | -103,679 |
| ECONOMIES, TRANSPORT AND COMMUNITIES TOTAL | 1,154,626 | 664,225 | 386,722 | 1,050,947 | -103,679 |
| TOTAL | 8,566,602 | 5,836,433 | 2,261,954 | 8,098,387 | -468,215 |

APPENDIX 2**Earmarked Reserves**

| | Balance at 31.12.2016 |
|--|----------------------------------|
| Thriving Communities Initiative | 205,907 |
| Literacy | 16,838 |
| Fostering Publicity | 12,568 |
| Performance Management | 85,000 |
| Equal Pay - including Legal Costs | 1,393,206 |
| Derbyshire Challenge Fund | 2,017,239 |
| Call Derbyshire automation - Speech recognition | 70,000 |
| GIS | 65,000 |
| Partnership Forum | 29,007 |
| Innovations & Transformation | 780,322 |
| 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 | 600,000 |
| D2EE Committed Liability - Revenue | 187,000 |
| 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 | 270,000 |
| Strategy Policy Budget underspends | 1,136,325 |
| | 8,054,438 |

APPENDIX 3**Budget Reductions 2016-17**

| | 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 |