

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND
BUDGET

2015

Report of the Chief Executive and Director of Finance

REVENUE OUTTURN 2014-15

1 Purpose of the Report

To report the final revenue outturn position for 2014-15, to identify significant variations in expenditure from the budget, and to make proposals for the use of any underspends.

2 Information and Analysis**2.1 Summary**

Attached as Appendix 1 to this report is a statement setting out the final outturn position for 2014-15. Controllable net expenditure was £6.334m against a budget of £7.330m resulting in a controllable underspend of £1.017m.

2.2 Key Variances**Communications - underspend £0.300m**

The main underspends relate to staffing particularly within the Call Derbyshire (£0.163m), Communications (£0.085m) due to strict vacancy control to manage the cuts, and the reduction in expenditure on publications and campaigns (£0.099m).

Policy and Research Division - underspend £0.289m

The main area of underspends relate to staffing primarily due to strict vacancy control to manage the cuts and the Performance Management system replacement still at the procurement stage (£0.104m).

2.3 Commitments

Markham Vale Environment Centre Overspend	£0.198m
Performance management system	£0.095m
Total	£0.293m

2.3 Proposals for the use of underspends

Cabinet on the 7th July allocated £0.279m to this portfolio from underspends to be used on specific, one off projects. Below is the list of schemes we are proposing are funded from this allocation:

Procurement of web chat solution	£0.012m
Members Casework system – support	£0.050m
Publicity Materials – self Serve design templates	£0.035m
Replacement social media platform	£0.025m
Digital team developer training	£0.021m
Replacement of PC's	£0.080m
Summer school	£0.030m

Total **£0.253m**

2.4 Savings Against 2014/15 Target

Budget reductions totalling £0.147m were allocated to Chief Executive's Office for the year, £0.418 were achieved, giving £0.244m front loaded savings. Regeneration were allocated £0.080m which was achieved.

	Budget Reduction target £m	Achieved Amount £m	Front loaded £m
POLICY			
Reduction in staffing	0.035	0.035	0.000
Reduction in inflationary increases to VCS organisations	0.000	0.005	0.005
POLICY TOTAL	0.035	0.040	0.005
COMMUNICATIONS			
Reduction in staffing	0.123	0.186	0.063
Reduction in publicity budget	0.000	0.040	0.040
Reduction of Your Derbyshire print costs	0.000	0.020	0.020
Reduction in Gold Card budget	0.000	0.020	0.020
Young Achievers publicity budget	0.000	0.015	0.015
Excellence in Community Publicity budget	0.000	0.015	0.015
Reduction in training, travel and subsistence, and postage budgets	0.000	0.008	0.008
COMMUNICATIONS TOTAL	0.123	0.304	0.181
SECRETARIES			
Removal of civic cars x 3 and designated chauffeurs	0.006	0.045	0.039
SECRETARIES TOTAL	0.006	0.045	0.039
CHIEF EXECUTIVES			
Reduction in staffing	0.010	0.029	0.019
CHIEF EXECUTIVES TOTAL	0.010	0.029	0.019
ECONOMIC DEVELOPMENT			
Regeneration	0.080	0.080	0.000
ECONOMIC DEVELOPMENT TOTAL	0.080	0.080	0.000
TOTAL	0.254	0.498	0.244

2.5 Return to General Reserves

Once the bids are accounted for, there is a transfer to general reserves of £0.508m. The position is summarised in Appendix 2.

2.6 Reserves

The earmarked reserves that relate to the Strategic, Policy and Budget portfolio are listed below:

Thriving Families – community budget £0.213m

The Government's Troubled Families Initiative grants the authority project funding to the TFI project team.

This earmarked funding has been allocated to support work on the Thriving Families project.

Literacy funding £0.117m

To support literacy projects throughout the County

Performance management £0.050m

Approval has been given to extend the existing contract for the Corvu performance management software pending procurement of new software. The budget for the performance management will be vired from Corporate to Policy Unit where the project is managed. This reserve is to cover project contingency requirements.

Innovation Programme Support £0.050m

To provide technical and specialist support to the council's Innovation and Transformation Programme.

Equal Pay £15.184m

To support the liability associated with equal pay cases lost, and associated legal costs

Derbyshire Challenge fund £2.590m

The fund was established to ensure that there are sufficient one-off funds available to pump prime changes in service delivery that deliver significant savings towards the overall savings target.

Invest to save £0.075m

This is committed to fund the replacement of the school's accounting system with SAP.

Call Derbyshire £0.220m

Commitment to purchase a new GIS system, Call Derbyshire automation – speech recognition and Govdelivery.

Apprenticeship Scheme £0.226m

This was established to cover the costs of the Apprenticeship Scheme Phase 2 due to be completed in 2015.

Markham Vale Seymour Link £0.100m

PUBLIC

To cover various costs in planning the Seymour Link.

3D Broadband Project Team £0.121m

Reserve established to cover the costs of the Broadband Team part funded by ERDF grant.

Markham Vale Centre Extension £0.280m

MVCE funded by ERDF and matched by DCC monies from this reserve.

Broadband project – Capital £4.856m

Commitment as part of BDUK programme/BT contract.

Broadband Demand Stimulation £0.100m

Reserve established to underwrite the securing of D2N2 LEP monies for demand stimulation for Broadband.

Other reserves £0.149m

These include funding for a Pollution Control Technician; Buxton Crescent legal fees; Food & Drink Fair; Derbyshire Economic Partnership; Fostering publicity.

The reserves are set out in 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 Background Papers

Files and reports held by the Director of Finance in Room 203, County Hall.

5 Key Decision

No

6 OFFICERS' RECOMMENDATIONS

6.1 To note the revenue outturn position for 2014-15.

6.2 To approve the new bids requested from underspends

IAN STEPHENSON
Chief Executive

PETER HANDFORD
Director of Finance

APPENDIX 1

STRATEGIC, POLICY, ECONOMIC DEVELOPMENT AND BUDGET OUTTURN 2014/15			
DIVISION	2014/15 CONTROLLABLE BUDGET £m	OUTTURN £m	CONTROLLABLE (UNDER)/ OVER £m
CHIEF EXECUTIVE'S			
CHIEF EXECUTIVE	0.980	0.657	-0.323
COMMUNICATIONS	3.589	3.289	-0.300
POLICY AND RESEARCH	1.604	1.315	-0.289
CHIEF EXECUTIVE'S TOTAL	6.173	5.261	-0.912
ECONOMY, ENVIRONMENT AND TRANSPORT REGENERATION	1.156	1.052	-0.104
ECONOMY, ENVIRONMENT AND TRANSPORT TOTAL	1.156	1.052	-0.104
TOTAL	7.329	6.313	-1.016

Summary position

Net underspend	£1.017m
Less:	
Commitments	£0.293m
Bids for use of underspends	£0.253m
Net transfer to General Reserve	£0.471m

Ear Marked Reserves

	Balance at 01.04.2014	Movements in year	Balance at 31.03.2015
Thriving Families	171,772	41,711	213,483
Literacy	116,838	0	116,838
Fostering Publicity	90,145	-76,577	13,568
Performance Management	50,000	0	50,000
Innovation Programme Support	0	50,000	50,000
Equal Pay - including Legal Costs	15,200,000	-15,734	15,184,266
Derbyshire Challenge Fund	543,583	2,046,013	2,589,596
Invest to Save	247,000	-172,000	75,000
GIS Procurement	100,000	0	100,000
Call Derbyshire automation - Speech recognition	70,000	0	70,000
Govdelivery	0	50,000	50,000
Derbyshire Economic Partnership Committed Liability - Revenue	16,083	0	16,083
Buxton Crescent Legal Fees	50,000	0	50,000
Apprenticeship Scheme Committed Liability - Revenue	368,200	-142,000	226,200
Markham Vale Seymour Impact Assessment Committed Liability	15,000	85,000	100,000
3D Broadband Project Team Committed Liability - Revenue	11,168	110,000	121,168
Markham Vale Centre Extension Committed Liability - Revenue	0	280,041	280,041
Broadband Project Committed Liability - Capital	4,856,000	0	4,856,000
Broadband Demand Stimulation	0	100,000	100,000
Food & Drink Fair General Uncommitted Reserves	22,000	0	22,000
Regeneration	395,000	-395,000	0
Other reserves	30,822	-1,815	29,007
	22,353,611	1,959,639	24,313,250