

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**10 January 2012**

**Report of the Director of Finance**

**BUDGET MONITORING 2011-12  
(Period up to 30 November 2011)  
(Finance and Management)**

**1. Purpose of the Report**

To provide Members with an update of the latest budget monitoring positions showing an overall underspend of £6.215m.

**2. Information and Analysis**

The report summarises the controllable budget position by department. Reports will also be considered at Audit Committee and full Council. Monitoring reflects the position as at 31<sup>st</sup> October 2011, however officers have provided additional updates to the Director of Finance to take the position up to the period ending 30<sup>th</sup> November 2011.

Cabinet Members receive a more detailed report of their portfolio positions at their Cabinet Member Meetings which this report summarises.

**Adult Care**

The forecast is for an overspend of £1.844m. The budget remains under pressure from growing demand for Adult Care services. The forecast overspend is reliant upon the achievement of departmental efficiencies particularly around Fieldwork and Direct Care.

**Children and Younger Adults**

A year-end forecast underspend of £2.802m is anticipated at this stage after a drawdown from and transfers to earmarked reserves. This is an improvement from the £2.200m underspend reported to Cabinet in November. The movement is mainly due to correction of a double allocation to fund Business Services staff within Advisory Service of £0.845m, offset by increased numbers of children in care within Safeguarding of £0.150m.

**Environmental Services**

A year end forecast is for a balanced budget. There are overspends on unallocated budgets and other services including transport and highways. These are only marginally offset by underspends in waste and planning.

However, the use of carry forwards of £1.4m from the 2010/11 budget and transfers from earmarked reserves will be utilised to bring the budget in line with spend.

### **Cultural and Community Services**

The forecast is for an underspend of £0.784m by the year-end. There are underspends across all service areas, mainly attributable to staffing and planning for the achievement of future efficiency savings within the department.

### **Corporate**

The year-end forecast of a £0.281m overspend is largely attributable to overspends in the Coroner's service of £0.307m over which we have little control, and industrial development. The industrial development overspend results from reduced income from the Council's business units due to declining occupancy levels.

### **Corporate Resources**

The forecast is for an underspend of £2.277m, including underspends in all divisions mainly attributable to staffing and the 'front-loading' of efficiency savings.

### **Chief Executive's**

An underspend of £2.477m is projected at the year end. Of this figure £1.122m relates to the 'front-loading' of efficiency savings and one off funding for approved schemes which are to continue into 2012/13. Additionally there are in year underspends across all service areas.

### **Efficiencies**

Departmental annual efficiencies are set out in the Five Year Financial Plan. Achievement of the targets is being closely monitored by departments and the Chief Executive.

### **Summary**

The overall position, as shown at Appendix 1 shows an overall underspend of £6.215m at this stage, although some departments will need to carry forward underspends into 2012/13 and other departments will have to deal with overspending. Monitoring will continue as the year progresses.

## **3. Considerations**

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

## **4. Financial Considerations**

As set out above.

**5. Key Decision**

No

**6. Call-in**

Is it required that call-in be waived in respect of the decisions proposed in the report? No

**7. Background Papers**

Papers held in Technical Section, Corporate Finance

**8. OFFICER'S RECOMMENDATION**

That the 2011/12 budget monitoring position as at 31<sup>st</sup> October is noted.

**PETER HANDFORD**  
**Director of Finance**

12 December 2011

**APPENDIX 1**

	<b>Budget £m</b>	<b>Year-end forecast £m</b>	<b>(Under)/Over Spend £m</b>
<b>Adult Care</b>	204.890	206.734	1.844
<b>CAYA</b>	118.276	115.474	(2.802)
<b>Environmental Services</b>	88.001	88.001	0.000
<b>CACS</b>	13.818	13.034	(0.784)
<b>Corporate</b>	17.819	18.100	0.281
<b>CRD</b>	42.186	39.909	(2.277)
<b>Chief Executives</b>	12.926	10.449	(2.477)
			(6.215)