

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**3 April 2012**

**Report of the Director of Finance**

**BUDGET MONITORING 2011-12  
(Period up to 31 December 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 £11.526m.

**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 December 2011, however officers have provided additional updates to the Director of Finance to take the position up to the period ending 31 January 2012.

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 £2.226m. 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, where the department is making good progress towards the efficiency targets identified.

The December projection has been updated to reflect the additional one-off Winter Pressures funding announced by Government in January 2012 which will be paid to Primary Care Trusts but transferred to the Council under Section 256 of the 2006 NHS Act.

**Children and Younger Adults**

A year-end forecast underspend of £6.240m is anticipated at this stage which includes £1.095m unallocated balance from 2011/12 brought forward from 2010/11. The underspend is mainly due to savings being

achieved at a faster rate than that required by the 2011/12 efficiency target set for CAYA.

### **Environmental Services**

The year-end forecast is for a £2.500m underspend. Of the £2.500m approximately £0.600m relates to a commuted sum from Sainsburys. The timing of the receipt of such sums is difficult to anticipate. The remaining £1.900m relates, in the main, to underspends on routine highways maintenance. The relatively late receipt of a time constrained Government grant (£3.669m) for the rectification of winter damage to the highway network has impacted on the ability to complete all programmed work.

### **Cultural and Community Services**

The forecast is for an underspend of £0.997m 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 is for a £0.088m overspend which is a reduction from the previous overspend reported of £0.281m. This is due to improved projected underspends for County Buildings, PFI/BSF, voluntary redundancy schemes and Change Management, partially offset by increased projected overspends in catering and the South Normanton Joint Service Centre.

### **Corporate Resources**

The forecast is for an underspend of £1.741m, including underspends in all divisions mainly attributable to staffing and the 'front-loading' of efficiency savings.

### **Chief Executive's**

An underspend of £2.362m is projected at the year end. Of this figure £1.052m 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 One shows an overall underspend of £11.526m 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 Financial Considerations**

As set out above.

**4 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.

**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 Cabinet notes the 2011/12 budget monitoring position as at 31 December.

PETER HANDFORD

Director of Finance

County Hall  
MATLOCK

15 March 2012

## APPENDIX ONE

	<b>Budget £m</b>	<b>Year-end forecast £m</b>	<b>(Under)/Over Spend £m</b>
<b>Adult Care</b>	204.913	207.139	2.226
<b>CAYA</b>	123.679	117.439	(6.240)
<b>Environmental Services</b>	89.557	87.057	(2.500)
<b>CACS</b>	13.818	12.821	(0.997)
<b>Corporate</b>	20.957	21.045	0.088
<b>CRD</b>	41.532	39.791	(1.741)
<b>Chief Executives</b>	13.040	10.678	(2.362)
			(11.526)