

DERBYSHIRE COUNTY COUNCIL

MEETING WITH CABINET MEMBER, HEALTH AND COMMUNITIES

10 January 2017

**Report of the Strategic Director for Economy, Transport and
Communities, Strategic Director for Adult Care
and Director of Finance**

BUDGET MONITORING MONTH 7 2016-2017

1. Purpose of the Report:

To inform the Cabinet Member, Health and Communities of the current budget monitoring position.

2. Information and Analysis:

The 2016-17 gross budget for the Health and Communities portfolio is approximately £56m. The budget monitoring statement (Appendix 1) is projecting an underspend for Public Health of £1.981m (most of which is committed as per the Public Health Prevention Fund Investment paper which was approved by Cabinet on 20 September 2016). The Communities element is projecting an overspend of £0.282m.

The areas which make up this projection are shown in the table below:-

HEALTH AND COMMUNITIES PORTFOLIO			
BUDGET MONITORING 2016/17			
October 2016			
DIVISION	CONTROLLABLE BUDGET £m	CONTROLLABLE FORECAST £m	(UNDER)/ OVER £m
PUBLIC HEALTH	0.296	(1.685)	(1.981)
COMMUNITIES			
Community Safety	1.120	1.033	(0.087)
Emergency Planning	0.403	0.402	(0.001)
Libraries and Heritage	8.037	8.364	0.327
Trading Standards	1.434	1.477	0.043
School Library Service	(0.035)	(0.035)	0.000
Derbyshire Sport	0.174	0.174	0.000
TOTAL COMMUNITIES	11.133	11.415	0.282
Use of Underspends	0.000	(0.240)	(0.240)
	11.133	11.175	0.042

There is £0.333m of Public Health funding available for Communities which is included in the figures above. This includes £0.033m from the Public Health Prevention Fund for the 'Heart of Derbyshire' project in the Trading Standards division. If not for this funding then the

Communities overspend position before the use of underspends would be £0.582m - £0.223m attributable to Trading Standards and £0.359m for the remainder of the Communities budget. Use of earmarked reserves will reduce the projected overspend to £0.042m. Further savings will be identified during the year to address this.

2.2 Key variances

Public Health – projected underspend £1.981m

The Public Health function is mainly funded by a Ring-Fenced grant of £42.670m. This is following a 2.24% reduction in the value of the Grant for 2016-17 which equates to £0.981m. The latest projections are predicting an underspend of £1.981m at the end of the financial year.

A large proportion of the underspend continues to be generated from activity-based contracts which are not meeting anticipated levels of service.

The underspend at year-end will be transferred into the Public Health Reserve and will fund committed investment in Prevention work which commenced in October 2016 over a maximum period of the next 2 years having been approved by Cabinet on 20 September 2016.

Key areas of underspend are:-

£m	reason
0.715	Lower than anticipated costs for Tariff based Services within the Integrated Sexual Health Contract
0.557	Lower than anticipated costs for Accredited Services within the Integrated Wellbeing Contract
0.311	Lower than anticipated costs on the Substance Misuse Inpatient Detox, Residential Rehab Treatment and Shared Care budgets
0.226	Vacancy control
0.155	Lower than anticipated costs for uptake of Health Checks within Derbyshire

Libraries and Heritage – projected overspend £0.327m

The main area of overspend relates to budget cuts not being achieved.

2.3 Reserves

The Portfolio's earmarked reserves total £2.026m and are listed in Appendix 2.

2.4 Budget Reductions

Budget reductions totaling £1.247m were agreed by Full Council as part of the approval of the 2016-17 budget. In addition to this there is an

amount of £0.380m unallocated reductions from previous years. The total base cuts that need to be achieved during 2016/17 is, therefore, £1.627m. A table showing performance against target is attached as Appendix 3. Where there is a shortfall on a specific scheme, this will be met by underspends elsewhere in the budget, reserves and Public Health funding. It should be noted that all Divisions are currently taking appropriate action to achieve their savings target.

3. Other Considerations:

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

4. Key Decision:

No.

5. Call-in:

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

6. Background Papers:

Files and reports held by Economy, Transport and Communities and Adult Care Accountancy sections.

Public Health Prevention Fund Investment – Cabinet 20 September 2016.

Prioritisation of Public Health Grant Investment – Cabinet 15 March 2016.

7. Officers' Recommendation:

That the Cabinet Member, Health and Communities notes the position on the 2016-17 Revenue Budget.

Mike Ashworth
Strategic Director – Economy,
Transport and Communities

Peter Handford
Director of Finance

Joy Hollister
Strategic Director – Adult Care

APPENDIX 1

HEALTH AND COMMUNITIES PORTFOLIO BUDGET MONITORING 2016/17 OCTOBER 2016							
DIVISION	2016/17 GROSS CONTROLLABLE BUDGET £	2016/17 INCOME BUDGET £	2016/17 CONTROLLABLE NET BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2016/17 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
PUBLIC HEALTH	43,161,607	-42,866,000	295,607	-12,659,591	10,974,085	-1,685,506	-1,981,113
COMMUNITY SAFETY	1,325,592	-205,614	1,119,978	1,711,391	-678,195	1,033,196	-86,782
EMERGENCY PLANNING	705,698	-302,524	403,174	388,111	14,276	402,387	-787
LIBRARIES AND HERITAGE	8,977,275	-940,503	8,036,772	5,492,640	2,870,742	8,363,382	326,610
TRADING STANDARDS	1,545,431	-110,963	1,434,468	928,858	548,495	1,477,353	42,885
SCHOOL LIBRARY SERVICE	229,877	-264,737	-34,860	45,788	-80,648	-34,860	0
DERBYSHIRE SPORT	173,645	0	173,645	133,083	40,562	173,645	0
TOTAL	56,119,125	-44,690,341	11,428,784	-3,959,720	13,689,317	9,729,597	-1,699,187

Net Overspend excluding Public Health 281,926

Less Use of Reserves 240,000

Projected Overspend 41,926

APPENDIX 2

Earmarked Reserves

**Balance at
31.10.2016**

Communities Reserves

School Library Service	76,300	Combined funding from Derbyshire County Council and Derby City Council
Collections in the Landscape	20,378	Heritage Lottery Fund Grant to fund CITL projects in 2016/17
Arts Partnership	48,895	Arts activities funded by Arts Council
Arts Council	15,662	Various Arts projects funded by the Arts Council
Emergency Planning	78,332	Reservoir work
Communitiy Safety	81,115	2016/17 commitments
Museums Acqisitions Reserve	16,108	Donations from the public to fund acquisitions
Picture the Past	67,952	Partnership with Other Local Authorities
PSA1 Reward Grant	174,645	Major part will fund library refurbishments and Local Studies equipment
Rural and Community Tour	4,515	Arts Council funding
Trusted Trader	15,948	To contribute towards running the scheme and maintaining subscription levels
Made in Derbyshire	45,500	To fund Made in Derbyshire events in 2015
County Records	48,779	To cover equipment expenditure
Paul Mellon Fund	10,000	Grant funding towards Museum refurbishment
Upgrade of Broadband in Derbyshire	255,000	From 13/14 and 14/15 underspends
Digital Inclusion	101,000	For libraries to provide internet access to excluded people
Proceeds for Sale of Mobile Libraries	37,600	Proceeds from sale of Mobile Libraries
Proceeds of Crime	34,868	Proceeds of Crime
CACS Underspend	240,000	

Total Communities Reserves

1,372,597

Public Health Reserves

Public Health Reserve	252,087	remaining 2015-16 underspend on PH Ring-Fenced Grant following allocation of 2016-17 Public Health Prevention funding approved by Cabinet 20/9/16 and agreed funding of ETC in 2016-17
Public Health s256/Externally Funded Programmes	332,329	s256 and others
Fareshare	69,300	To support preventative and sustainable approach to reducing food poverty in Derbyshire

Total Public Health Reserves

653,716

Health and Communities Total Reserves

2,026,313

APPENDIX 3

COMMUNITIES BUDGET CUTS 2016/17			
	Budget Reduction target £m	Achieved Amount £m	Outstanding Amount £m
Emergency Planning			
Staffing Review	0.036	0.000	-0.036
Community Safety			
Staffing re organisation	0.061	0.000	0.061
Community Safety Project Fund	0.085	0.085	0.000
Libraries & Heritage			
Stock reductions in materials fund	0.185	0.185	0.000
Review of Libraries and Heritage services	0.574	0.105	0.469
Changes to staffing and opening hours at the Derbyshire Record Office	0.060	0.000	0.060
Reduction in the Arts service	0.125	0.000	0.125
Departmental HQ - reduction in the leadership, management, back office and non-staffing budgets	0.373	0.294	0.079
Trading Standards			
Restructuring of the service	0.128	0.000	0.128
	1.627	0.669	0.958