

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER, HEALTH AND COMMUNITIES

10 January 2019

Joint Report of the Strategic Director for Adult Care, Strategic Director for Commissioning, Communities and Policy, Strategic Director for Economy, Transport and Environment, Director of Public Health and Director of Finance & ICT

**2018-19 REVENUE BUDGET MONITORING
MONTH 7 (to 31 October 2018)**

1. Purpose of the Report

To inform the Cabinet Member of the current budget monitoring position for 2018-19 up to the end of October (month 7).

2. Information and Analysis

2.1 Summary

The 2018-19 controllable net budget for the Health and Communities portfolio is approximately £3.824m. This figure includes a controllable net base budget of zero for Public Health as the controllable gross base budget of £40.548m is fully funded by the Ring-Fenced Public Health Grant.

The latest budget monitoring is projecting an underspend for Public Health of £1.925m with the remainder of the portfolio showing a forecasted underspend of £0.035m. This results in a total projected underspend of £1.960m for the portfolio.

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

HEALTH AND COMMUNITIES PORTFOLIO			
MONTH 7 2018-19			
DIVISION	CONTROLLABLE NET BUDGET	PROJECTED OUTTURN	PROJECTED OVER/(UNDER) SPEND FOR YEAR
	£m	£m	£m
PUBLIC HEALTH	0.222	(1.703)	(1.925)
COMMUNITIES			
Community Safety	0.939	0.877	(0.062)
Emergency Planning	0.316	0.317	0.001
Trading Standards	1.397	1.489	0.092
TOTAL COMMUNITIES	2.652	2.683	0.031
Coroners	1.434	1.454	0.020
Registrars	(0.484)	(0.570)	(0.086)
TOTAL FOR PORTFOLIO	3.824	1.864	(1.960)

2.2 Key variances

Public Health – projected underspend £1.925m

The Public Health function is mainly funded by a ring-fenced Grant of £40.548m. There has been a 2.57% reduction in the value of the Grant for 2018-19 which equates to £1.070m. The latest projections are predicting an underspend of £1.925m at the end of the financial year.

A large proportion of the total underspend continues to be generated from activity-based contracts which are not meeting anticipated levels of service activity. However this year the value is on a smaller scale compared to previous years.

The underspend at year-end will be transferred into the Public Health ring-fenced reserve and is intended in part to support Public Health related activities within the Authority. It will also help to meet the costs of pay protection arrangements for 2 years from April 2018 following the Public Health restructure as well as supporting investment in a comprehensive programme of sports and physical activity grants as outlined in the Council Plan.

2.3 Budget Savings

A Budget savings target of £0.182m has been allocated for 2018-19, of which it is expected that £0.147m will be achieved by the end of the financial year.

The table below shows performance against the target:

	Budget	Achieved	Projected Savings
	Reduction	To Date	at year end
	Amount		
	£m	£m	£m
Community Safety	0.052	0.052	0.052
Trading Standards	0.065	0.030	0.030
Registrars	0.065	0.065	0.065
Total	0.182	0.147	0.147

£30,000 savings will be achieved by Trading Standards in this financial year following the implementation of a new structure in December 2018. The remaining saving will be achieved in the following financial year.

2.4 Growth Items

There are no budget growth items included in the 2018-19 budget.

2.5 Potential Risks

The main risk which could impact on the portfolio's outturn position is:

Service	Risk	Sensitivity £m	Likelihood
			(1 = Low,
			5 = High)
Community Safety Emergency Planning, Trading Standards, Coroners, Registrars	Under achievement of savings	0.035	2

This will result in the service overspending, putting pressure on the other functions of the portfolio. In order to avoid an overspend situation, Directors need an agreed programme of savings in place and ensure that it is monitored effectively to enable the savings to be delivered on time.

2.6 One-off Funding

The one-off funding items included in the 2018-19 budget are:

	Amount £m
Trading Standards - Programme to reduce the number of instances of fraudulent activity against Older People over 3 years	0.082
Total	0.082

2.7 Reserves

Earmarked Reserves relating to this portfolio, totalling £7.479m, are currently held to support future expenditure. Future use of the Public Health Reserve is described in section 2.2.

A breakdown of these reserves is shown below:

	Balance as at 31.10.2018 £m
Public Health Reserve	6.811
Public Health s256/Externally Funded Reserve	0.343
Public Health Food in the Community Reserve	0.049
Emergency Planning - Reservoirs	0.078
Community Safety	0.081
Trusted Trader	0.016
Proceeds of Crime	0.046
Coroners – new Case Load system	0.040
Registrars – high quality printers	0.015
Total Earmarked Reserves	7.479

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 Accountancy sections within Adult Care, Commissioning, Communities and Policy, and Economy, Transport and Environment.

7. OFFICERS' RECOMMENDATION

That the Cabinet Member notes the position on the 2018-19 Revenue Budget.

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