

DERBYSHIRE COUNTY COUNCIL

Cabinet Member for Health and Communities

20 September 2016

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

BUDGET MONITORING MONTH 3 2016-2017**1. Purpose of the Report**

To inform the Cabinet Member of the current budget monitoring position.

2. Information and Analysis**2.1 Summary**

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 £1.792m. The Communities element is projecting an overspend of £0.689m, resulting in a total projected underspend of £1.103m for the portfolio.

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

DIVISION	CONTROLLABLE BUDGET £m	CONTROLLABLE FORECAST £m	(UNDER)/ OVER £m
PUBLIC HEALTH	0.000	(1.792)	(1.792)
COMMUNITIES			
Community Safety	1.027	0.873	(0.154)
Emergency Planning	0.403	0.414	0.011
Libraries and Heritage	8.048	8.704	0.656
Trading Standards	1.409	1.585	0.176
School Library Service	(0.035)	(0.035)	0.000
Derbyshire Sport	0.102	0.102	0.000
TOTAL COMMUNITIES	10.954	11.643	0.689
Use of Public Health funding	0.000	(0.300)	(0.300)
Use of Underspends	0.000	(0.240)	(0.240)
Use of Reserves	0.000	(0.149)	(0.149)
	10.954	10.954	0.000

£0.300m of Public Health funding and £0.240m of 2015-16 underspends will reduce the overspend to £0.149m which will be identified within the remainder of the financial year.

2.2 Key variances

Public Health – projected underspend £1.792m

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 £1.792 at the end of the financial year.

A large proportion of the underspend is on 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 help to fund new investment in Prevention work worth £2.95m over 2 years which was approved by Cabinet on 15 March earlier this year.

Key areas of underspend are:-

£m	reason
0.559	Lower than anticipated costs for Tariff based Services within the Integrated Sexual Health Contract
0.427	Lower than anticipated costs for Accredited Services within the Integrated Wellbeing Contract
0.168	Lower than anticipated costs on the Substance Misuse Inpatient Detox and Residential Rehab Treatment budgets
0.133	Vacancy control
0.117	Lower than anticipated costs on the Substance Misuse Drug Prescribing budget
0.113	lower than anticipated claims from attendances at Local Provider GUM Clinics

Libraries and Heritage – projected overspend £0.656m

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

Trading Standards – projected overspend £0.177m

The key overspend relates to the budget cuts not being achieved to date. This will be met in 2016-17 by Public Health funding, and the division is being restructured to meet all the cuts in 2017-18.

Community Safety and Emergency Planning – projected underspend £0.143m

The main underspend relates to vacancies, which will not be filled as there is a restructure of the service to be undertaken in 2016-17.

2.3 Reserves

The Department's Earmarked Reserves total £5.342m 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 cut allocation for 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.

3. Social value

All expenditure incurred is fully assessed against the Social Value imperatives.

4. 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.

5. Key Decision

No.

6. Call-in

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

7. Background Papers

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

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

8. OFFICERS' RECOMMENDATION

That the Cabinet Member 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 JUNE 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	42,866,000	-42,866,000	0	-3,542,271	1,749,987	-1,792,284	-1,792,284
COMMUNITY SAFETY	1,232,172	-205,614	1,026,558	1,060,573	-187,296	873,277	-153,281
EMERGENCY PLANNING	741,698	-338,524	403,174	186,904	226,755	413,659	10,485
LIBRARIES AND HERITAGE	8,811,425	-762,970	8,048,455	3,430,131	5,273,979	8,704,110	655,655
TRADING STANDARDS	1,676,294	-267,537	1,408,757	473,976	1,111,470	1,585,446	176,689
SCHOOL LIBRARY SERVICE	250,835	-285,695	-34,860	11,003	-45,863	-34,860	0
DERBYSHIRE SPORT	102,269	0	102,269	349,810	-247,541	102,269	0
TOTAL	55,680,693	-44,726,340	10,954,353	1,970,126	7,881,491	9,851,617	-1,102,736

APPENDIX 2

Earmarked Reserves

	Balance at 30.06.2016
<u>Communities Reserves</u>	£
School Library Service	76,300
Collections in the Landscape (CITL)	20,378
Arts Partnership	48,895
Arts Council	15,662
Emergency Planning	78,332
Community Safety	81,115
Derbyshire Sport	20,002
Museums Acquisitions Reserve	16,108
Picture the Past	67,952
PSA1 reward grant	174,645
Rural and Community Tour	4,515
Trusted Trader	15,948
Made in Derbyshire	45,500
County Records	48,779
Paul Mellon Fund	10,000
Upgrade of Broadband in Libraries	255,000
Digital Exclusion	101,000
Proceeds from sale of Mobile Libraries	37,600
Proceeds of Crime	34,868
<u>Total Communities Reserves</u>	<u>1,152,599</u>
<u>Public Health Reserves</u>	
Public Health Reserve	3,788,222
Public Health s256/Externally Funded Programmes	332,329
Fairshare	69,300
<u>Total Public Health Reserves</u>	<u>4,189,851</u>
<u>Health and Communities Total Reserves</u>	<u>5,342,450</u>

APPENDIX 3

COMMUNITIES BUDGET CUTS 2016/17

	Budget Reduction target £m	Achieved Amount £m	Outstanding Amount £m
Emergency Planning			
Staffing Review	0.036	0.036	0.000
Community Safety			
Staffing re organisation	0.061	0.061	0.000
Community Safety Project Fund	0.085	0.085	0.000
Libraries & Heritage			
Stock reductions in materials fund	0.185	0.185	0.000
Library closures, reduction in opening hours and staffing restructure	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 number of Arts grants awarded	0.125	0.000	0.125
Departmental HQ - reduction in the leadership, management, back office and non-staffing budgets	0.373	0.218	0.155
Trading Standards			
Restructuring of the service	0.128	0.000	0.128
	1.627	0.690	0.937