

**DERBYSHIRE COUNTY COUNCIL**

**MEETING WITH CABINET MEMBER, HEALTH AND COMMUNITIES**

**22 September 2015**

**Report of the Strategic Director, Health and Communities  
and the Director of Finance**

**BUDGET MONITORING MONTH 3 2015-2016**

**1. Purpose of the Report**

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

**2. Information and Analysis**

**2.1 Summary**

The gross budget for the Health and Communities portfolio is approximately £56m. The budget monitoring statement (Appendix 1) is projecting an underspend for the year of £2.586m, of which £2.703m relates to the Public Health function. This includes the effect of an in-year cut in the Ring-Fenced Public Health Grant. Subject to Consultation the Department of Health's preferred option is to reduce every Local Authority's 2015-16 allocation by a flat rate percentage of 6.2% in order to achieve a total cut in England worth £200m. The impact for this Authority is a reduction of £2.524m.

This leaves a projected overspend for the remaining portfolio of £0.117m.

**2.2 Key variances**

**Public Health – projected underspend £2.703m**

The Public Health function is mainly funded by a Ring-Fenced grant of £33.038m. An additional £5.140m (£10.280m full year) Public Health Ring-Fenced Grant is to be received in October 2015 to meet the transfer of responsibility for Children's 0-5 Public Health services giving a total Ring-Fenced Grant figure of £38.178m. The latest projections are predicting an underspend of £2.703m at the end of the financial year.

A contingency is to be set up within the Public Health budget in order to meet potential cost pressures arising during the financial year from uncontrollable activity based expenditure.

The underspend at year-end will be transferred into the Public Health Resource Fund Reserve from which allocations approved by Cabinet in February 2015 will be made during 2015-16.

Key areas of underspend are:-

£m	reason
0.667	Lower than anticipated costs for Accredited Services within the Integrated Wellbeing Contract
0.198	Vacancy control
0.172	Revised implementation date of the Affordable Warmth Project
0.150	Lower than anticipated costs on Falls Prevention/Foot Care Contracts
0.140	Lower than anticipated costs on Children's Public Health budgets
0.126	Lower than anticipated costs on the Children's Family Nurse Partnership Contract
0.118	Lower than anticipated costs on the Substance Misuse Prevention budget
0.112	Lower than anticipated costs on the Substance Misuse Drug Prescribing budget

There has been a major re-design/re-procurement of Obesity/Smoking Cessation services, Sexual Health services and Children's Public Health services which has resulted in greater efficiencies worth a 15% saving on original annual budget values. The savings will be felt over the whole financial year. The new Integrated Children's service will commence on 1 October 2015 resulting in part-year savings in 2015-16 with a full-year saving achieved in the following financial year.

### **Libraries and Heritage – projected overspend £0.244m**

The overspend stated is as a result of additional revenue costs associated with the extension to the Derbyshire Record Office and unallocated budget cuts.

## **2.3 Reserves**

The Department's Earmarked Reserves total £8.682m and are listed in Appendix 2.

## **2.4 Budget Reductions**

Budget reductions totaling £1.291m were agreed by Full Council as part of the approval of the 2015-16 budget. Where there is a shortfall on a specific scheme, this will be met by underspends elsewhere in the budget. A table showing performance against target is attached as Appendix 3.

## **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. Background Papers**

Working papers held in Corporate Finance Accountancy section.

**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. OFFICERS' RECOMMENDATION**

That the Cabinet Member notes the position on the 2015-16 Revenue Budget.

**David Lowe**  
**Strategic Director**  
**Health & Communities**

**Peter Handford**  
**Director of Finance**

## APPENDIX 1

HEALTH AND COMMUNITIES PORTFOLIO BUDGET MONITORING 2015/16 JUNE 2015							
DIVISION	2015/16 GROSS CONTROLLABLE BUDGET £	2015/16 INCOME BUDGET £	2015/16 CONTROLLABLE NET BUDGET £	ACTUALS TO DATE £	REST OF YEAR FORECAST £	2015/16 CONTROLLABLE FORECAST £	CONTROLLABLE (UNDER)/ OVER £
PUBLIC HEALTH	40,379,890	-39,073,300	1,306,590	-4,498,967	3,102,457	-1,396,510	-2,703,100
COMMUNITY SAFETY	2,122,110	-206,614	1,915,496	668,281	1,150,111	1,818,392	-97,104
EMERGENCY PLANNING	848,853	-433,474	415,379	165,778	226,802	392,580	-22,799
LIBRARIES AND HERITAGE	9,124,257	-1,065,365	8,058,892	2,259,902	6,043,266	8,303,168	244,276
TRADING STANDARDS	1,574,994	-110,963	1,464,031	366,970	1,099,128	1,466,098	2,067
SCHOOL LIBRARY SERVICE	124,438	-160,261	-35,823	12,531	-48,354	-35,823	0
DERBYSHIRE SPORT	1,266,656	0	1,266,656	427,520	839,136	1,266,656	0
OTHER	155,361	0	155,361	36,451	109,694	146,145	-9,216
<b>TOTAL</b>	<b>55,596,559</b>	<b>-41,049,977</b>	<b>14,546,582</b>	<b>-561,534</b>	<b>12,522,240</b>	<b>11,960,706</b>	<b>-2,585,876</b>

## APPENDIX 2

### Earmarked Reserves

	Balance at 30.06.2015 £	
Arts Partnership	42,438	Arts activities funded by Arts Council
Arts Council	12,647	Various Arts projects funded by the Arts Council
Emergency Planning	78,332	Reservoir work
Derbyshire Literature Festival	24,960	To take place as part of 'Made in Derbyshire' event
Derbyshire Poet Laureate	19,496	To fund her activities
Libraries Computer Reserve	65,552	Fund replacement of IT kit for public use
Derbyshire Sport	20,002	Partnership body for whom we host their accounts
Museums Acquisitions Reserve	12,979	Donations from the public to fund acquisitions
Picture the Past	113,952	Partnership with OLA's
PSA1 reward grant	188,284	Major part will fund library refurbishments and Local Studies equipment
Rural and Community Tour	4,515	Arts Council funding
School Library service	65,563	To meet deficits if they arise
Trusted Trader	30,948	To contribute towards running the scheme and maintaining subscription levels
Made in Derbyshire	126,786	To fund Made in Derbyshire events in 2015
County Records	21,600	To cover equipment expenditure
Readwritetell	1,457	To be transferred back to General Reserves
Upgrade of Broadband in Libraries	300,000	From 13/14 and 14/15 underspends
Digital Exclusion	96,000	
Fairshare	154,000	To support preventative and sustainable approach to reducing food poverty in Derbyshire
Proceeds from sale of Mobile Libraries	37,600	
Proceeds of Crime	32,001	
Public Health Resource Fund	6,660,571	15/16 approved allocations to be made later in financial year
Public Health s256/Externally Funded Programmes	572,685	s256 and others
<b>HCS total</b>	<b>8,682,367</b>	

## APPENDIX 3

### Budget reductions

	Budget Reduction Amount	Achieved Amount	Not Achieved
	£	£	£
Emergency Planning - staffing review	25,000	25,000	0
Community Safety - staffing re-organisation to tackle anti-social behaviour, domestic violence, re-offending rates	120,000	120,000	0
Mobile Library Service - withdrawal of a number of fleet vehicles resulting in reduced service	265,000	265,000	
Trading Standards - restructuring of the service	150,000	150,000	0
Library Service Restructuring	250,000	250,000	0
Arts Service - reduction in grants awarded to local groups/organisations			0
Departmental HQ - reduction in leadership, management and non-staffing budgets	454,000	354,000	100,000
Museum Service - staffing	27,000	27,000	0
<b>Total</b>	<b>1,291,000</b>	<b>1,191,000</b>	<b>100,000</b>