

HEALTH AND WELLBEING SCRUTINY COMMITTEE
12 JANUARY 2012

HEALTH AND WELLBEING SERVICE FINANCIAL SUMMARY

(extracts from report to Cabinet 28 November 2011)

INTRODUCTION

1. This section provides a summary of SERVICE forecast outturn positions on revenue and capital budgets at the mid-year stage, and a summary of the debt position at 30 September. It highlights the key budget pressures facing the Council, and remedial actions taken and planned, and summarises progress against savings policy proposals contained in the 2011-12 budget.

OVERALL REVENUE SUMMARY

Table 1 - Service Revenue Outturn Forecasts

		Net Budget	Variance from Budget	SRE's for Approval	Net Projected Variance		Forecast at First Quarter	Change from First Quarter
		£000	£000	£000	£000		£000	£000
Health & Wellbeing		10,589	959		959		614	345

2. The overall net variance of £3.3m comprises:
 - £970k relating to exceptional inflation re fleet fuel, waste contract bonus (HWRC), and Utility contract price increases for Council owned buildings, including Leisure facilities and Car Parks;
 - £856k relating to policy changes since the budget was approved in February (re Grounds Maintenance, Markets rents and Library Review & Lifestyle Centre Income).

Key changes since FQR:

3. The key changes since FQR totalling net £1.75m relate to the following:
 - Utility price increases, primarily in Assets and Health & Wellbeing, following price increases in new contract £450k and £300k respectively;
 - Leisure will only partly deliver the policy saving associated with generating additional income from Adults Commissioning using leisure facilities to support day care services, £100k pressure;

Key variances against 2011-12 Savings Proposals	£'000
Health & Wellbeing Building Based Review	268
Lifestyle – Reductions in Expenditure / New Income	112

Health & Wellbeing

£300k – Planned remedial actions include a reduction to libraries book fund (£100k). In addition, further remedial actions are being sought by the service in order realise the additional reductions

DEBT MANAGEMENT

4. Total Invoiced Debt at the end of September 2011 was £6.1m. After allowing for £1.3m of debt still within the payment terms, outstanding debt stood at £4.8m. The total amount of service debt outstanding over 6 months old amounts to £2.0m. This is unchanged from FQR, and £0.4m higher than the level of older debt at 31 March. Services have created debt provisions of £1.7m to cover this debt in the event that it needs to be written off.
5. An analysis of the invoiced debt provision by directorate is provided in Table 4.

Table 4 - Invoiced Debt

Directorate/Service	Total Outstanding Debt as at 30 th September £000	Total Debt Over 6 months old £000	Bad Debt Provision £000
Health & Wellbeing	91	50	50