



PHE Advisory Board

Title of meeting	Public Health England Advisory Board
Date	Wednesday 25 September 2013
Sponsor	Michael Brodie
Title of paper	2013/14 Financial Review – Year to Date

1. Purpose of the paper

- 1.1 This paper presents a summary financial review for Public Health England (PHE) for the period ended July 2013.

2. Recommendations

- 2.1 The PHE Advisory Board is asked to **NOTE** the summary financial position of PHE as at the end of reporting month four.

3. Background

- 3.1 The original budget was approved by the National Executive in April 2013. This budget was used in the Business Plan submitted to the Department of Health. Inevitably, with an organisation in start-up there have been changes to initial financial planning assumptions and a budget review was undertaken to reflect the latest position. An updated budget, which remains within the spending totals agreed with the Department of Health, was approved by the National Executive on 18 June.
- 3.2 The National Executive receives and reviews a report on PHE's financial position on a monthly basis and is supported by the Resourcing and Prioritisation Group which ensures that resourcing decisions are made in light of the overall financial position and the strategic priorities of Public Health England.

4. Financial position

- 4.1 The high level summary financial position for PHE for the four months to July 2013 is shown in the table below.
- 4.2 The figures represent the net expenditure for each directorate and show a year to date net underspend of £9.3m against a budget of £1,472.4m for the period. This position was expected as PHE moves from transition and builds its delivery capacity.
- 4.3 At this stage in the financial year the forecast outturn is as per the revised budget. This prudent assessment reflects planned spending programmes that will enable the agency to deliver public health outcomes through greater collaboration and innovation.

Public Health England : Year to date position 31st July 2013 by Directorate	Year to date Budget	Year to date Actual	Variance	Full Year Budget/ Forecast Out-turn
	(£m)	(£m)	(£m)	(£m)
Operations Total	(47.1)	(42.6)	4.5	(141.1)
Health Protection	(17.8)	(18.3)	(0.5)	(53.3)
Health & Wellbeing - General	(34.0)	(30.2)	3.8	(135.8)
Health & Wellbeing – Social Marketing	(6.0)	(5.5)	0.5	(54.6)
Knowledge	(12.0)	(11.9)	0.1	(35.8)
Corporate Functions	(7.5)	(6.6)	0.9	(32.7)
Sub-total	(124.4)	(115.1)	9.3	(453.3)
Depreciation not charged to operational activities	-	-	-	(22.1)
Total Net Operating Expenditure	(124.4)	(115.1)	9.3	(475.4)
Local Authority Grants	(1,330.9)	(1,330.9)	-	(2,661.8)
Vaccines Programme	(17.1)	(17.1)	-	(422.9)
Total Public Health England	(1,472.4)	(1,463.1)	9.3	(3,560.1)

5. Capital expenditure

- 5.1 PHE has agreed a capital programme for the year and agreed the required funding with the Department of Health. The total funding of £65.6m consists of a general allocation of £48.7m with specific allocations of £16.9m for drugs/alcohol rehabilitation and water fluoridation schemes.
- 5.2 By the end of July £6.3m (13%) had been spent on projects in the general allocation programme.
- 5.3 The specific allocation projects are not scheduled to start in the first half of the year. Planning work for these is underway now.
- 5.4 At this stage in the year PHE is confident that the capital programme agreed with the Department of Health will be delivered.

6. Conclusion

- 6.1 As expected, given the transition process and the timetable of recruitment to establishment, the year to date figures show an underspend position. However, plans are in place to manage the financial position to ensure that PHE utilises its resources effectively and delivers to budget.

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