

Joint Public Health Board

Bournemouth, Poole and Dorset councils working together to improve and protect health

Date of Meeting	4 June 2018
Officer	Chief Financial Officer and Acting Director of Public Health
Subject of Report	Financial Report
Executive Summary	<p>The draft revenue budget for Public Health Dorset in 2018/19 is £28.592m. This is based upon an indicative Grant Allocation of £33.407m.</p> <p>The report also includes the final outturn for 2017/18 and an updated reserve position.</p>
Impact Assessment:	<p>Equalities Impact Assessment: An equality impact assessment is carried out each year on the medium term financial strategy.</p> <p>Use of Evidence: This report has been compiled from the budget monitoring information provided within the Corporate Performance Monitoring Information (CPMI).</p> <p>Budget: The Public Health Dorset budget is currently forecast to be underspent in 18/19.</p> <p>Risk Assessment: Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: MEDIUM Residual Risk LOW</p> <p>As in all authorities, financial performance continues to be monitored against a backdrop of reducing funding and continuing</p>

	<p>austerity. Failure to manage within the current year’s budget not only impacts on reserves and general balances of the three local authorities but also has knock-on effects for the Medium Term Financial Plan and puts future service provision at risk.</p>
	<p>Other Implications: As noted in the report</p>
<p>Recommendation</p>	<p>The Joint Board is asked to consider the information in this report and to:</p> <ol style="list-style-type: none"> 1. Note the 17/18 final outturn; 2. Note the updated reserve position and continued commitment to PAS from within the reserve; 3. Note the confirmed budget allocation for 2018/19 and indicative budget for 19/20.
<p>Reason for Recommendation</p>	<p>Close monitoring of the budget position is an essential requirement to ensure that money and resources are used efficiently and effectively.</p>
<p>Appendices</p>	<p>Appendix 1: 2017/18 Outturn, Reserve Position, Public Health Grant Allocations and Partner Contributions, confirmed for 18/19 and indicative for 19/20</p>
<p>Background Papers</p>	<p>Previous finance reports to Board</p>
<p>Report Originator and Contact</p>	<p>Name: Steve Hedges, Group Finance Manager Tel: 01305-221777 Email: s.hedges@dorsetcc.gov.uk</p>

1. Background

- 1.1 The Health and Social Care Act 2012 established new statutory arrangements for Public Health which came into effect on April 2013. Significant responsibilities for public health were transferred to local councils from the NHS, and locally these are delivered through Public Health Dorset, a shared service across the 3 local authorities, funded through the ring-fenced Public Health grant. Public Health England was established and is responsible for public health nationally, and NHS England and Clinical Commissioning Groups also have some continuing responsibilities for public health functions.
- 1.2 Since 2013 there has been a further national transfer of responsibility for the Health Visitor service, which moved to local authorities in October 2015; the local agreement was that this was commissioned by Public Health Dorset. Public Health Dorset have also taken on additional responsibilities for drugs and alcohol from each local authority in 2015 and again in 2017.
- 1.3 Public Health Dorset have made significant returns to the 3 local authorities in line with principles previously agreed at the Board. These returns are also subject to the ring-fence grant conditions.
- 1.4 Alongside the publication of the final allocations for 2018/19, PHE announced that the Public Health Grant ring-fence and grant conditions will remain in place until 31 March 2020.

2. Budget Outturn Position 2017/18

- 2.1 The final outturn figure for 2017/18 was an underspend of £365k (see appendix 1). This takes account of:
 - the return to local authorities of an anticipated £1.2M underspend;
 - approx. £100k income from small scale grants and payments;
 - movement in from reserves of £1M to support PAS, as agreed at JPHB;
 - spend against PAS of £439k.

Public Health Reserve

- 2.2 The updated reserve position as at 31 March is £1,817k (see appendix 1).
- 2.3 Although the Board committed £1M to PAS in November 2016, this work has taken some time to come to fruition. There are ongoing commitments to better connect LiveWell Dorset across the system, and continue working with localities to embed prevention and population health in how they work. To date spend against the £1M has totalled £439k, leaving £561k of the reserve committed to PAS. An element of the reserve is specific to DCC due to savings made within DCC prior to transfer of drugs and alcohol into PHD (£308K). These are also now committed against PAS.

3. Public Health Grant

- 3.1 The revenue budget for Public Health Dorset in 2018/19 is £28,592k. This is based on a Grant Allocation of £33,407k, a 2.5% reduction over the grant allocation for 2017/18, and a further shift in responsibilities for drug and alcohol services reflected in retained PTB and DAAT elements. The Public Health Grant Allocations and partner contributions are shown in appendix 1.

- 3.2 Indicative allocations are available for 19/20 and shown in appendix 1. These will need to be amended to reflect new footprints following LGR, but the overall envelope is expected to remain the same, and the ring-fence grant conditions will remain in place.
- 3.3 Preliminary forecasts for 2018/19 and 2019/20 were shared at the last Board. Public Health Dorset is expecting an underspend in 2018/19. This will be on a smaller scale than in previous years as re-commissioning of services and the substantial efficiency gains this has delivered is now nearly complete. Further efficiencies will be delivered through restructuring public health activity and spend to align with other work across the system. Any savings as a result of this work are likely to impact over a longer timescale and with savings made in other parts of the local authority.

4. Conclusion

- 4.1 The Joint Board is asked to consider the information in this report and to note:
- the 17/18 final outturn;
 - the updated reserve position and continued commitment to PAS from within the reserve;
 - the confirmed budget allocation for 2018/19 and indicative budget for 19/20.

Richard Bates
Chief Financial Officer
June 2018

Sam Crowe
Acting Director of Public Health

APPENDIX 1: 2017/18 Outturn, Reserve Position, Public Health Grant Allocations and Partner Contributions, confirmed for 18/19 and indicative for 19/20.

Table 1: Outturn 2017/18

2017/18	Budget 2017-2018	Outturn 2017-2018	Over/underspend 2017/18
Public Health Function			
Clinical Treatment Services	£10,080,800	£11,252,812	-£1,172,012
Early Intervention 0-19	£11,366,400	£11,209,091	£157,309
Health Improvement	£2,804,458	£2,347,443	£457,015
Health Protection	£245,036	£66,391	£178,645
Public Health Intelligence	£344,800	£215,178	£129,622
Resilience and Inequalities	£1,909,608	£462,880	£1,446,728
Public Health Team	£2,760,898	£2,353,494	£407,404
Underspend to Poole BC		£240,000	-£240,000
Underspend to Bmth BC		£300,000	-£300,000
Underspend to Dorset CC		£700,000	-£700,000
Total	£29,512,000	£29,147,289	£364,711

£364,711 transferred to Public Health reserve ringfenced for DCC PAS/STP budget in 2018/19

Table 2: Public Health reserve

Public Health Reserve	£'s
Opening balance 1/4/17	2,452,000
STP/PAS DCC	-1,000,000
Public Health underspend 2017/18	365,000
Balance in reserve at 31/03/18	1,817,000
PH Dorset commitment to STP/PAS costs	-869,000
Balance uncommitted in reserve	948,000

Table 3: Allocation 2018/19 and Estimated Allocation 2019/20

2018/19	Poole £	Bmth £	Dorset £	Total £
2018/19 Grant Allocation	7,594,000	10,502,000	15,311,000	33,407,000
Less Commissioning Costs	-30,000	-30,000	-30,000	-90,000
<i>Less Pooled Treatment Budget and DAAT Team costs</i>	<i>-461,000</i>	<i>-2,924,800</i>	<i>-170,000</i>	<i>-3,555,800</i>
2014/15 Public Health Increase back to Councils	-299,000	-371,000	-499,100	-1,169,100
Joint Service Budget Partner Contributions	6,804,000	7,176,200	14,611,900	28,592,100
Budget 2018/19				<u>28,592,100</u>

2019/20	Poole £	Bmth £	Dorset £	Total £
Estimated 2019/20 Grant Allocation	7,393,000	10,225,000	14,907,000	32,525,000
Less Commissioning Costs	-30,000	-30,000	-30,000	-90,000
<i>Less Pooled Treatment Budget and DAAT Team costs</i>	<i>-461,000</i>	<i>-2,924,800</i>	<i>-170,000</i>	<i>-3,555,800</i>
2014/15 Public Health Increase back to Councils	-299,000	-371,000	-499,100	-1,169,100
Joint Service Budget Partner Contributions	6,603,000	6,899,200	14,207,900	27,710,100

Estimated Budget 2019/20

27,710,100