

Joint Public Health Board

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

Date of Meeting	19 November 2018
Officer	Chief Financial Officer and Acting Director of Public Health
Subject of Report	Financial Report
Executive Summary	<p>The revised revenue budget for Public Health Dorset in 2018/19 is £28.292M, based on an indicative Grant Allocation of £33.407M.</p> <p>The report includes an updated forecast for 2018/19. Budgets for 19/20 remain provisional, based on indicative figures published in 17/18 and taking account of future local authority changes.</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 shared service budget is currently forecast to underspend by £160k.</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 austerity. Failure to manage within the current year's budget not</p>

	<p>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 updated 18/19 forecast; 2. Ongoing discussion in preparation 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: Public Health Grant Allocations, Partner Contributions and Forecast: revised 2018/19, provisional 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 Health Visiting services, 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 commissioning drug and alcohol services 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 published indicative allocations for 19/20 and announced that the Public Health Grant ring-fence and grant conditions will remain in place until at least 31 March 2020. No further formal communication has been made since then.
- 1.5 PHE have investigated issues with a number of councils nationally about how the ring-fenced grant is used. For example, Northamptonshire council was directed to reinvest £8M in public health services earlier this year after PHE determined that funds were used to prop up adult and child social care programmes rather than in line with the grant conditions.

2. Budget and Forecast Position 2018/19

- 2.1 The opening revenue budget for Public Health Dorset in 2018/19 was £28,592k. This was 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.
- 2.2 The revised budget is now £28,292k. This takes account of:
 - the return to councils of anticipated £450k underspend as highlighted at the last Board; and
 - transfer of £150k transformation funds from Dorset CCG to support PAS.
- 2.3 Detail of the Public Health Grant Allocations and partner contributions is in Appendix 1.
- 2.4 The current forecast for 2018/19 is for an underspend of £160k (see appendix 1). This takes account of:
 - Updated estimates for cost and volume activity, although detox and Health Checks could still see significant change by year end.
- 2.5 As the LiveWell Dorset service becomes more embedded across the system, there are knock-on impacts for our other health improvement services. This has been to some extent anticipated, but remains under close review.

3. Provisional Budget 2019/20

- 3.1 Indicative allocations for 19/20 based on current local authorities were published in 17/18, and a provisional Public Health Dorset budget, adjusting on a population basis for the new footprints, was shared at the last Board (see appendix 1). Final grant figures based on the new footprint have not yet been published.
- 3.2 Work continues with finance colleagues across Dorset, Bournemouth, Poole and Christchurch to understand the implications for the new footprints, both on the shared service budget and the Medium Term Financial Plans for the two new authorities.

4. Conclusion

- 4.1 The Joint Board is asked to consider the information in this report and to note:
- the updated 18/19 forecast;
 - ongoing discussion in preparation for 2019/20.

Richard Bates
Chief Financial Officer

Sam Crowe
Acting Director of Public Health

November 2018

**APPENDIX 1: Public Health Grant Allocations, Partner Contributions and Forecast:
revised 2018/19, provisional 19/20.**

Table 1: Revised budget 2018/19, provisional budget 19/20

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
Less Pooled Treatment Budget and DAAT Team costs	-461,000	-2,924,800	-170,000	-3,555,800
2014/15 Public Health Increase back to Councils	-299,000	-371,000	-499,100	-1,169,100
To redistribution of anticipated 18/19 underspend to B/P/D for reinvestment (See 2.2)	-90,000	-112,500	-247,500	-450,000
Joint Service Budget Partner Contributions	6,714,000	7,063,700	14,364,400	28,142,090
Budget 2018/19				<u>28,142,090</u>

Provisional 2019/20	Bmth, Poole & Christchurch £	Dorset £	Total £
Estimated 2019/20 Grant Allocation	18,533,290	13,991,710	32,525,000
Less Commissioning Costs	-60,000	-30,000	-90,000
Less Pooled Treatment Budget and DAAT Team costs	-3,385,800	-170,000	-3,555,800
2014/15 Public Health Increase back to Councils	-670,000	-499,100	-1,169,100
Joint Service Budget Partner Contributions	14,417,490	13,292,610	27,710,100
Provisional Budget 2019/20			<u>27,710,100</u>

Shift based on population as per disaggregation workstream

Table 2: Updated forecast 2018/19

2018/19	Budget 2018-2019	Outturn 2018- 2019	Over/underspend 2018/19	Provisional budget 2019/20
Public Health Function				
Clinical Treatment Services	£11,531,000	£11,567,268	-£36,268	£11,371,500
Early Intervention 0-19	£11,104,000	£11,114,620	-£10,620	£11,104,000
Health Improvement	£2,342,200	£2,111,042	£231,158	£2,475,000
Health Protection	£85,000	£26,022	£58,978	£73,100
Public Health Intelligence	£207,800	£146,164	£61,636	£197,800
Resilience and Inequalities	£610,790	£878,481	-£267,691	£187,000
Public Health Team	£2,411,300	£2,288,004	£123,296	£2,301,700
Total	£28,292,090	£28,131,601	£160,490	£27,710,100

Resilience and inequalities budget increased by £150k, Dorset CCG funding for PAS