

Joint Public Health Board

9 November 2022

Finance Update

For Decision

Portfolio Holder: Cllr P Wharf, Adult Social Care and Health, Dorset Council
Cllr J Kelly, Communities, Health and Leisure,
Bournemouth, Christchurch and Poole (BCP) Council

Local Councillor(s): All

Executive Director: Sam Crowe, Director of Public Health

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Report Status: Public

Recommendation:

The Joint Public Health Board is asked to:

- 1) note the 2022/23 shared service forecast out turn of £280k underspend and the break-even position for the grant kept by each council.
- 2) approve the return of £610k to BCP and £548k to DC from the public health reserve.
- 3) consider the principles set out in 11.4 on use of committed reserves.

Reason for Recommendation:

There are conditions that set out how councils can use their public health grant. Each local authority Chief Executive or Section 151 Officer and the Director of Public Health must sign to say this has happened.

Public Health Dorset (PHD) is a shared service across Dorset Council and BCP Council. PHD delivers public health services on behalf of both councils. Each council also provides other services with public health impact. These may be different in the two councils. The councils pay into the shared service but may also use part of the grant to support the work in the council.

Monitoring how we spend the grant will help us to know if we are meeting the conditions. It will support better financial planning. It will also help us to be sure we use the grant in the best way to improve health and wellbeing outcomes.

1 Executive Summary

- 1.1 This report provides a regular update on the use of each council's ring-fenced public health grant. It covers the budget for the shared service Public Health Dorset and the grant kept by each council to use.
- 1.2 The opening revenue budget for Public Health Dorset in 22/23 was £25.615M. The current forecast out turn is £280k underspend. More detail is set out in section 10 and table 1 in appendix 1.
- 1.3 The shared service public health reserve was £2.647M on 1 April 2022. We propose a return of £610k to BCP and of £548k to DC in year. Principles for how we use the remaining, committed reserve are set out in section 11.
- 1.4 In 22/23 BCP keeps £8.338M of their grant, and DC keeps £1.277M. Both expect to spend to budget. More detail on how they use this retained grant is set out in section 12.

2 Financial Implications

- 2.1 The aim of the shared service model is to use money and resources in an efficient and effective way. The retained element of the grant allows flexibility for local priorities. The report covers financial implications throughout.

3 Wellbeing and health implications

- 3.1 The aim of Public Health Dorset is for all people in Dorset to live healthy and fulfilled lives for as long as possible, and disparities are minimal. The grant supports this work, and the report highlights specific implications where relevant.

4 Climate implications

- 4.1 Public Health Dorset has a key domain of work around healthy places. This looks at how our built and natural environment can improve population health. This work may also impact on climate change, and the report highlights specific implications where relevant.

5 Other Implications

- 5.1 None identified in this paper.

6 Risk Assessment

- 6.1 Having considered the risks associated with this financial monitoring, the level of risk has been identified as:
Current Risk: MEDIUM
Residual Risk: LOW

7 Equalities Impact Assessment

- 7.1 This is a monitoring report, so Equalities Impact Assessment is not applicable.

8 Appendices

Appendix 1 Finance Tables October 2022

Appendix 2 Financial contributions to shared service 2022/23

9 Background Papers

Previous finance reports to the Board

[Shared Service Partnership agreement November 2020](#)

[Spending Review 2021](#)

[Public health grants to local authorities: 2022 to 2023 - GOV.UK](#)

(www.gov.uk) published 7 February 2022

Finance briefing, January 2022

10 2022/23 shared service forecast out turn

- 10.1 The Board agreed contributions from each local authority in February 2022, shown in appendix 2. This gives a 22/23 opening revenue budget for Public Health Dorset of £25.615M.
- 10.2 The opening budget included an uplift into the shared service (60 per cent of the uplift to the grant). The Board agreed to use this on existing cost pressures and two development areas. We agreed details of our children and young people's development programme with partners. These will reduce financial requirements for both local authority children's services teams. LiveWell Dorset are testing out different ways of working. They want to get more of the people who need the most support into the service. They use income as well as the development funds to do this. Each council kept 40 per cent of their grant uplift to use at their discretion.
- 10.3 Our current forecast suggests that we are likely to see an underspend in 2022/23. NHS Health Checks activity makes the biggest contribution to the underspend. We are forecasting £66k spend against a £600k budget for this. Other assumptions included in the forecast are:
- estimated 4.5 per cent uplift on salary costs for the 22/23 local authority pay award

- no uplift on existing contracts in 22/23
- activity for emergency hormonal contraception (EHC) and long-acting reversible contraception (LARC) is the same as before COVID
- activity for needle exchange and supervised consumption together is around 50 per cent of levels before COVID. During COVID we changed pathways to reduce activity. These changes have also improved patient outcomes, so we do not expect activity to go back up.
- community provider activity on stopping smoking is stable, at around two-thirds of levels before COVID. LiveWell Dorset now support more people though, making this up to about 90 per cent of levels before COVID.
- in 22/23 Contain Outbreak Management Funds (COMF) or other income will cover our fixed term roles except possibly roles linked to the adult obesity grant. The adult obesity grant stopped early, after only 1 year, but roles are fixed for 3 years, so there may be a shortfall.
- agreed developments within early intervention and LiveWell Dorset spend to budget.

10.4 Recognising that we will underspend, we have agreed with both councils to use some of this in year. This will support work:

- in communities and neighbourhoods,
- connected with the two Local Plans, and
- embedding the physical activity strategy.

10.5 There is still a lot of uncertainty that could create financial risk or volatility. This includes:

- Ongoing COVID pressures – covered by remaining COMF until March 2023.
- Wider health protection work – roles and responsibilities still being worked through with UKHSA and the new Integrated Care Board (ICB)
- Integrated Care System (ICS) development – it is still early days for the ICB and the ICS. Ways of working, roles and responsibilities are still being worked through.
- General inflation pressures and implications of cost of living crisis.
- Other potential funding streams as shared at the last board meeting.

11 Use of shared service reserve

11.1 The shared service public health reserve was £2.647M on 1 April 2022, of which £1.158M is not committed. After discussion with both councils, we propose to return this part of the reserve to the councils this year. This can fund work with public health impact on a non-recurrent basis. The shared service agreement splits this based on approximate contributions into the

shared service. In 22/23 the contributions are 49 per cent BCP and 52 per cent DC. Before BCP took back all their drugs and alcohol services it was around 55% for the BCP area and 45% for the Dorset area. We propose a return of £610k to BCP and of £548k to DC. See table 2 in the appendix for detail.

11.2 As set out in appendix 1, we used £97k of reserve for extra safeguarding capacity as agreed in February. This is an interim approach whilst scoping a sustainable model with local partnerships.

11.3 The board already agreed commitments against the remaining reserve:

- £443k for Prevention at Scale (PAS) projects
- £340k for community health improvement services
- £609k for place-based work

11.4 Recognising the current challenging financial landscape, PHD will work to agreed principles. The same conditions apply to how we use reserve funds as to the public health grant. Proposed principles are:

- Use underspend before pulling on reserves
- Support work within communities that will reduce their reliance on statutory services
- Support early intervention work with individuals
- Support invest to save work that falls within grant conditions
- Work with local VCS partners
- Provide interim support for public health work where required until transformation impacts are realised.

12 Use of grant kept by the councils

12.1 Each council keeps part of their grant to support other public health work in the council. The same conditions apply to funds kept by the council and paid into the shared service. The Joint Public Health Board monitors spend across the whole of the grant.

12.2 BCP council will keep £8.338M of their 22/23 grant. This will be set against the following budget areas, with a forecast out turn at budget:

- Drugs and alcohol services for adults and children (£5.090M)
- Children's centres and early help (£2.994M)
- A central overheads element (£254k)

12.3 BCP council also earmarked £25k of the grant that they kept in 21/22 for use in the future on a digital engagement platform. Following further system discussion this reserve is no longer required, and so will be included in the 22/23 spend outlined.

12.4 Dorset council will keep £1.277M of their 22/23 grant. This will be set against the following areas, with a forecast out turn at budget:

- Community safety (£283k). The increase will support additional work around domestic abuse and violent crime, linked to new legislation.
- Community development work (£333k).
- Children's early intervention (£114k).
- Prevention and support for adults with complex needs (£515k). This includes support for rough sleepers, those with mental health, substance misuse and housing needs, as well as suicide prevention and self-harm reduction.
- A central overheads element – (£32k).

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

Appendix 1 Finance Tables October 2022

Table 1. Forecast out turn 2022/23

2021/22	Budget 2022-2023	Forecast out turn 2022-2023	Over/underspend 2022/23
Public Health Function			
Clinical Treatment Services	£8,929,500	£8,775,860	£153,820
Early Intervention 0-19	£11,512,500(1)	£11,519,166	-£6,666
Health Improvement	£2,637,043	£1,839,548	£797,495
Health Protection	£60,500	£186,500	-£126,000
Public Health Intelligence	£150,000	£69,571	£80,429
Resilience and Inequalities	£80,000	£108,352	-£28,352
Public Health Team	£2,341,921	£2,923,657	-£590,736
Total	£25,711,464(1)	£25,413,474	£279,990

(1) Budget includes £97,000 from Public Health Reserve

Table 2. Public Health shared service reserve

Opening balance at 1st April 2022	£2,646,900
Movement out of reserve	£97,000
Current balance in reserve	£2,549,900
Proposed return to BCP council	£610,243
Proposed return to Dorset council	£547,657
Proposed balance in reserve	£1,392,000

Appendix 2 Financial contributions to shared service 2022/23

Table 1. Agreed Partner contributions 22/23

2022/23	BCP	Dorset	Total
	£	£	£
2022/23 Grant Allocation	20,615,825	14,613,377	35,229,202
Less retained amounts	-8,337,616	-1,277,122	-9,614,737
Joint Service Budget Partner Contributions	12,278,209	13,336,255	25,614,465
Public Health Dorset Budget 2022/23			£25,614,465