

READING BOROUGH COUNCIL

DIRECTOR OF ADULT CARE AND HEALTH SERVICES

TO:	HEALTH & WELLBEING BOARD		
DATE:	7 OCTOBER 2016	AGENDA ITEM:	9
TITLE:	PUBLIC HEALTH BUDGET 2016/17		
LEAD COUNCILLOR:	COUNCILLOR HOSKIN	PORTFOLIO:	HEALTH
SERVICE:	ALL	WARDS:	BOROUGHWIDE
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**1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

- 1.1 This report sets out the current position of the public health budget for 16/17 and details the programmes of work being funded by the grant.
- 1.2 The breakdown of spend and savings measures is attached in appendix 1. The final budget position for 16/17 is attached in appendix 2.
- 1.3 In addition it details the further grant cut of 2.7% (£253k) in 17/18.

**2. RECOMMENDED ACTION**

- 2.1 That the board note the current budget position for 2016/17.
- 2.2 That the board note the budget pressures faced in 2017/18 as a result of further grant reductions.

**3. FINANCIAL/POLICY CONTEXT**

- 3.1 The Government announced that the 15/16 public health grant reduction will be recurrent and confirmed further overall reductions to the Councils public health grant. Table 1 below provides a breakdown of the grant reduction.

Table 1 - Grant reduction

15/16 baseline	£11,104,085
DH Funding reductions	

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LA share of the £200m savings (15/16)	£597,795
Allocation reduction	£237,289
Total funding reduction	£835,085
2016-17 allocation	£10,269,000

- 3.2 The Chancellor's Autumn Statement confirmed that public health funding will continue to be reduced annually until 2020. The Autumn Statement also confirmed that the ring-fenced conditions for use on public health grant would continue for at least two more years.
- 3.4 In addition the drug and alcohol treatment service currently receives a £284,635 grant from the Police and Crime Commissioner. This grant is being reviewed, should the grant reduce or be cut in full for 17/18 this will create an additional pressure.
- 3.5 Table 2 shows the likely position for 2017/18.

<b>Funding reductions</b>	
Non recurrent savings (16/17)	£144,274
Allocation reduction	£253,000
PCC grant	£284,635
<b>Total funding reduction</b>	<b>£681,909</b>
2017-18 allocation	£10,016,000

#### 4.0 OPTIONS

##### Budget Position 2016/2017

- 4.1 All public health grant spend across the council, both for services commissioned directly by public health locally and through the shared team, as well as all additionally funded services provided across the council have been reviewed.
- 4.2 Officers across the council have worked together to identified ways to manage the impact to services through better use of resources or reducing activity within contract limits. The rationale for spending reductions or reducing services is included in appendix 1.
- 4.3 Additional savings on top of those initially identified are listed in the table below. The final budget position and savings made for 16/17 is attached at appendix 2 and reports a breakeven position.

<b>Additional Savings</b>	<b>Value</b>
Team re-structure (recurrent)	£105,000
Training and development (Non recurrent)	£2,000
Health Checks (Non recurrent)	£13,500

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Implementation of Healthy Weight Strategy (Non recurrent)	£30,000
Weight Management - Additional Eat 4 Health(Non recurrent)	£39,000
15/16 Accrual underspend <sup>1</sup> (Non recurrent)	£59,774
<b>Total</b>	<b>£249,274</b>
Predicted overspend	<b>-£249,081</b>
<b>Forecast Surplus</b>	<b>£193</b>

#### Budget Position 2017/2018

4.4 To address the ongoing grant reductions up to and including 2019/20, officers will be reviewing all spend against the public health grant. Longer term planning will ensure that all expenditure is informed by local health priorities and local population health needs.

#### 5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The approach taken to dealing with the Department for Health's Public Health Grant reduction should still enable the Council, within available resources, to meet Corporate Plan priorities where there is a significant public health aspect, such as:

- i. Safeguarding and protecting those that are most vulnerable;
- ii. Providing the best start in life through education, early help and healthy living; and
- iii. Keeping the town clean, safe, green and active.

5.2 The proposal will contribute to the Council's strategic aim to promote equality, social inclusion and a safe and healthy environment for all.

#### 6. LEGAL IMPLICATIONS

6.1 The grant must be used only for meeting eligible expenditure incurred or to be incurred by local authorities for the purposes of their public health functions as specified in Section 73B(2) of the National Health Service Act 2006 ("the 2006 Act").

6.2 The functions mentioned in that subsection are:

- functions under section 2B, 111 or 249 of, or Schedule 1 to, the 2006 Act
- functions by virtue of section 6C of the 2006 Act

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<sup>1</sup> At year end a prediction was made for demand led primary care services. The actual level of the work undertaken was lower than anticipated and the 16/17 budget has been adjusted.

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- the Secretary of State's public health functions exercised by local authorities in pursuance of arrangements under section 7A of the 2006 Act,
- the functions of a local authority under section 325 of the Criminal Justice Act 2003 (local authority duty to co-operate with the prison service with a view to improving the exercise of functions in relation to securing and maintaining the health of prisoners)

#### 7. EQUALITY IMPACT ASSESSMENT

- 7.1 Where service delivery will be impacted or decommissioned an EIA will be completed.

#### 8. FINANCIAL IMPLICATIONS

##### 8.1 Revenue Implications

The report sets out that the council's public health grant has been reduced by 7.52% in 16/17 and a further 2.7% in 17/18. The report goes on to detail where the grant will be spent.

##### 8.2 Value for Money

There is a requirement to ensure that public health service expenditure delivers value for money and this has been considered when identifying Public Health commissioned projects/services to deliver.

##### 8.3 Risks

Any unexpected costs will create a budget pressure in year. There are a number of demand lead services funded by the public health grant, any significant increase in demand will create an overspend in 2016/17.