

## Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 18 March 2021

<b>TITLE</b>	<b>Public Health funding and budget 2021/22</b>		
<b>Ward(s)</b>	All		
<b>Author:</b> Christina Gray	<b>Job title:</b> Director Communities and Public Health		
<b>Cabinet lead:</b> Cllr Asher Craig (Deputy Mayor, Cabinet Member for Public Health, Communities and Equalities)	<b>Executive Director lead:</b> Jacqui Jensen/Hugh Evans		
<b>Proposal origin:</b> <i>BCC Staff</i>			
<b>Decision maker:</b> Mayor <b>Decision forum:</b> <i>Cabinet</i>			
<b>Purpose of Report:</b> This report provides a summary of the indicative Central Government funding that the Council expects to receive (as a minimum) in 21/22 for Public Health with a breakdown of estimated revenue expenditure.			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. Public health services are critical for preventing disease, reducing health inequalities, and improving the population’s health. Public Health services and functions transferred to the local authority under the terms of the 2012 Health and Social Care Act. Since 2013, local authorities have been responsible for most aspects of public health and receive a ring-fenced public health grant from the Department of Health and Social care to meet these duties. Local authorities have several mandated services they must provide, and the remainder of the public health grant funding can be used flexibly for public health purposes. Any under spend of grant from one year must be carried forward in the ring-fenced public Health reserve and applied to the budget in future years.</li> <li>2. The Public health grant for 2020/21 was £33.1 million. The Public Health budget in 2020/21 of £38.0 million included £4.9 million from North Somerset and South Gloucestershire councils which were contributions for jointly commissioned services managed by Bristol Public Health. A balanced budget is forecasted as at period 9.</li> <li>3. The Grant allocations for 2021/22 are yet to be announced and are expected in early March, however the spending review 2020 indicated that the grant will be maintained, indicating no increase from the 2020/21 grant of £33.1 million. There are still uncertainties and actual budget confirmation may vary from this indication. If the grant remains at £33.1million, inflationary costs will need to be met such as the cost of any pay uplifts for nursing staff in commissioned services. The long-term future of Public Health funding is uncertain and will be subject to the government’s fair funding review expected in 2021/22.</li> </ol>			
<b>Ring-fenced - Public Health £38.0 million</b>			
<ol style="list-style-type: none"> <li>4. The Public Health budget for 2021/22 is anticipated to be £38.0 million and a breakdown of spending against Public Health grant categories is noted in Appendix A .This includes( as for 2020 / 21) £33.1 million Public Health Grant and £4.9 million contributions to joint contracts commissioned by Bristol Public Health on behalf of neighbouring authorities.</li> <li>5. From the grant allocation of £33.1 million most of the expenditure is on externally commissioned services -</li> </ol>			

£28 million (85 %) and on transfers to other departments in the council to support delivery of agreed public health activity which is detailed in the appendices.

6. The break down also includes the expenditure to be incurred for employees and costs for each of the service area. Previously approved contractual arrangements will continue into 2021/22, to be reviewed once full and final grant details are received. Any required readjustments will be undertaken in conjunction with the Cabinet Member and Cabinet Board and positive or adverse variations will be appropriately planned for.
7. The Government's presumption is that the grant will be spent in-year. If at the end of the financial year there is any underspend this should be carried over, as part of a ring-fenced public health reserve. In using those funds in future year's expenditure needs to comply with the grant conditions. The government may consider reducing future grant amounts to LAs that report significant expenditure which does not meet criteria and is considered a misuse of the grant.

#### **General Fund – Public Health £4.8 million**

8. The Public Health General Fund breakdown is detailed in Appendix A1.  
The Public Health Grant has been used to fund a proportion of General Fund Activities which are of specific public health benefit. The Public Health Grant pays for all drug and alcohol expenditure, a significant proportion of domestic abuse services and community and neighbourhood Services. Costs for Physical Activity and Sport development have also been absorbed. The Public Health General Fund also includes the Healthwatch contract and Hengrove Leisure Centre PFI contract.
9. During 2020/21 the general fund budget for the Safer Bristol element of the PH budget was transferred from Communities and Public Health to the Children and Families budget, however, the cost centre for Domestic Abuse was retained (service area 371).

#### **Additional income for specific areas of work**

10. In addition to the public health grant Bristol City Council will receive funding in 21/22 to deliver the statutory duties as part of the Domestic Abuse Bill and funding to enhance treatment for drug and alcohol misuse. These have been agreed in separate reports by Cabinet in 20/21. Domestic Abuse Bill - £1.1 million; Rough Sleepers drug and alcohol - £711,000; Inpatient Drug Treatment - £140,000; Drug Treatment Accelerator Programme – Approx. £1.7 million.

#### **The Future**

11. This has been an exceptional year for local authority public health services. The focus of public health programmes has by necessity pivoted to lead the Covid Outbreak Management Response at the expense of some other activity. During 2021/2022 we will be maintaining a strong focus on Health Protection capacity and expertise in order to effectively discharge the public health statutory duties in this respect; at the same time we will be focussing on the performance of public health services and core function and undertaking work on the following key priority areas: delivering a City Wide Drug and Alcohol Strategy; Supporting the Bristol Food Equality Programme – including healthy weight; maintaining fast Track Cities for HIV; delivering the Sport and Leisure Strategy; working with partners to deliver Thrive Bristol for positive mental health and wellbeing; recommissioning Domestic Abuse Services and supporting delivery of outcomes to reduce domestic abuse as part of the Domestic Abuse Bill statutory duties; working with health partners and communities to ensure that the new Integrated Health System addresses inequality; supporting the Health and Wellbeing Board and One City Partners to develop healthy policy for a healthy city; engaging schools in the healthy schools programme; and ensuring the delivery of a high performing public health nursing service.
12. The ring-fenced public health reserves (£3.8 million) utilisation is currently held against known risks and cost pressures against sexual health services, risk of overperformance or quality and safety issues within commissioned services for drugs and alcohol, domestic abuse and health protection, contribution to leisure services contract costs, risk mitigation against grant reduction and investment in healthy public policy for example sustainability, clean air and health inequality programmes.

13. A separate drug and alcohol reserve is also held (£2.0 million), which is made up from wider partner income and contribution from the Public Health Grant in previous years.

#### **Director of Communities and Public Health**

14. The Director of Communities and Public Health is satisfied that the budget meets the statutory requirements of the grant and it is being properly applied to meet the council's public health duties.

#### **Council Tax**

15. There will be no change to the current year's level of Council Tax arising from the recommendations in this report. The Band D equivalent will remain at £1,846.02 (£2,163.65 including precepts from Avon Fire Authority and the Police and Crime Commissioner for Avon and Somerset), as set by full Council on 23rd February 2021.

#### **Director of Finance - Financial Assurance Statement**

16. Section 25 of the Local Government Act 2003 requires that when a local authority is making its budget calculations, the Chief Finance Officer of the authority must report to the Council on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The estimates are based on 2020/21 spending profiles and considered accurate. As outlined in the report they may be subject to change +/- to reflect the actual allocation.
17. Reserves are an important part of the Council's financial strategy and are held to create long term budgetary stability. They enable the Council to manage change and risk without undue impact on the Council Tax and are a key element of its financial standing and resilience. Council was provided with a detailed assessment of the adequacy of the reserves and the levels of risk inherent in the budget when the original Council budget was set in February 2020. That overall assessment remains unchanged.
18. The Public Health ring-fenced earmarked Reserve is expected to be £3.8 million as at 1 April 2021 and sufficient to meet any unforeseen demand. In addition the council has a general reserve, which is currently maintained at a minimum level of between 5% and 6% of the Council's net revenue budget is c.£20 million. A situation where the general fund reserve would be required would only arise as a short term measure if mitigations were not possible within the Public Health Grant itself for services agreed to be a strategic priority and additional savings would need to be identified as part of the future year budgets to replenish the general reserve to a level that provides the resilience the Council needs overall as we continue in this challenging period of financial uncertainty and risk.

#### **Cabinet Member / Officer Recommendations:**

That Cabinet

#### **Note:**

- a) The Council Tax Band D equivalent, as agreed in February 2021, remains unchanged.
- b) That all other budgets agreed by Council remain unchanged, subject to in year movements within delegated authorities
- c) The Director of Finance (s151 Officer) Assurance Statement; on the robustness of the budget and adequacy of reserves
- d) The Director of Public Health Assurance Statement.

#### **Approve the Public Health Budget of £38.0million for the 2021/22 financial year**

- e) Authorise the Director of Finance to make any necessary technical adjustments or adjustments to the overall budget upon receipt of the final allocation, with transfers to and or from reserves as appropriate.
- f) Authorise the Director of Communities and Public Health in consultation with the Deputy Mayor and Cabinet member for Communities, Equalities & Public Health and Director of Finance to take all steps required to

finalise and implement the 2021/22 Public Health budget following receipt of the grant.

**Corporate Strategy alignment:**

Public Health in Bristol is working to embed health and wellbeing in all decisions that are taken by the council

**Wellbeing:** Public health is embedded and crucial in ensuring delivery of all the ambitions in the corporate strategy that will make Bristol a healthier City.

**Empowering and caring:** The communities and Neighbourhoods team are working with communities to empower and, increase independence, support those who need it. This is particularly relevant during and post Corvid to enable communities to recover and regenerate. Public Health works to give children the best possible start in life, through its programme and in commissioning public health nursing services

**Fair and inclusive:** Public health, through its Alive and Thrive programmes work to Improving economic and social equality, public health's reason for being is to tackle social injustice and reduce inequalities in health outcomes

**Well-connected:** Through community development and neighbourhoods work to reduce social isolation

**City Benefits:**

The programme of work undertaken by Public health ensures that the city is working towards all the ambitions that the council has in making the city a fairer, more equitable, kind, and caring place to grow up in, live and work in. The programme of work aligns with both the One City ambitions and the Corporate Plan and is working closely with strategic partners to enable best use of resources.

**Consultation Details:** Individual aspects of the public health grant are consulted upon as required through the commissioning or decommissioning process.

**Background Documents:**

Public health grants to local authorities: 2020 to 2021 - GOV.UK ([www.gov.uk](http://www.gov.uk))

<b>Revenue Cost</b>	<b>£38.0m</b>	<b>Source of Revenue Funding</b>	<i>Ring fenced grant: £33.1m Partnership contribution: £4.9m</i>
<b>Capital Cost</b>		<b>Source of Capital Funding</b>	
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:**

This is a budget report and full details are contained in the body of the report and associated appendix.

**Finance Business Partner:** Denise Hunt 25/02/21

**2. Legal Advice:** The procurement process to spend the grant funding must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.

**Legal Team Leader:** Husinara Jones, Solicitor/Team Leader, 5 March 2021

**3. Implications on IT:** No impact on IT services

**IT Team Leader:** Simon Oliver 01/03/21

**4. HR Advice:** There are no specific HR implication emerging from this report.

**HR Partner:** Lorna Laing HR business partner 25/02/21

<b>EDM Sign-off</b>	Jacqui Jensen Executive Director	1 <sup>st</sup> March 2021
<b>Cabinet Member sign-off</b>	Councillor Asher Craig	1 <sup>st</sup> March 2021
<b>For Key Decisions - Mayor's</b>		[date]

<b>Office sign-off</b>		
<b>Appendix A – Further essential background / detail on the proposal</b>		<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>		<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>		<b>NO</b>
<b>Appendix D – Risk assessment</b>		<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>		<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of</b>		<b>NO</b>
<b>Appendix G – Financial Advice</b>		<b>NO</b>
<b>Appendix H – Legal Advice</b>		<b>NO</b>
<b>Appendix I – Exempt Information</b>		<b>NO</b>
<b>Appendix J – HR advice</b>		<b>NO</b>
<b>Appendix K – ICT</b>		<b>NO</b>