

11 February 2013

Agenda Item:

REPORT OF THE DIRECTOR OF PUBLIC HEALTH

PUBLIC HEALTH GRANT AND BUDGET PLANNING REPORT

Purpose of the Report

1. To update the Public Health Subcommittee on the Public Health Grant and associated arrangements recently announced and to provide an outline Financial Plan for 2013/14 for approval.

Information and Advice

Public Health Grant & Reporting Arrangements

2. As from April 2013 Public Health functions will be funded through three principal routes:
 - Ring-fenced grants to upper tier and unitary local authorities
 - Through the NHS Commissioning Board
 - Public Health England commissioning or providing services itself
3. The ring fenced Public Health Grant for 2013/14 and 2014/15 was announced on the 10th January 2013 along with supporting guidance detailing the determinants, conditions and administering arrangements.
4. The allocations for Nottinghamshire (including Bassetlaw) are as follows (NB: This includes 2.8% growth and additional elements that were previously excluded from calculations):
 - 2013/14 £35.1m
 - 2014/15 £36.1m(Average growth is 5.5% in 2013/14 – the minimum growth is 2.8%)
5. The Joint Strategic Needs Assessment and Health & Wellbeing Strategy will drive commissioning plans and hence public health expenditure. The Public Health Outcomes Framework should also be regarded when setting budgets.
6. It is important that the Public Health Grant is only spent on activities whose main or primary purpose is to improve the health and wellbeing of local populations (including restoring or protecting their health where appropriate) and reducing health inequalities.
7. Nottinghamshire County Council will report financial plans and actual spend against the grant through existing quarterly revenue outturn (RO) returns. Annex 1 lists the Public Health sub categories which will need to be reported against.

8. Nottinghamshire County Council will need to ensure that the finances reported are verified and in line with the purpose set out in the grant conditions and the Chief Executive will need to return a statement confirming that the grant has been used in line with these conditions.
9. The use of the grant will be subject to existing local authority financial management requirements and the Department of Health will expect the External Auditor to highlight any issues of concern in the account of the grant spend.
10. Public Health England will review plans and returns relating to the Public Health Grant on behalf of the Department of Health.

Outline Financial Plan 2013/14

11. A draft financial plan was produced in October 2012 following the Public Health Confirm and Challenge session and a financial options paper has been presented to the Corporate Leadership Team and the Health & Wellbeing Board. The options paper was based on receiving a PH Grant of £29.9m in 2013/14 with contractual pre-commitments (including staffing and directorate non pay) estimating the same.
12. The paper also highlighted that expenditure proposals put forward by the PH Directorate at the Confirm & Challenge session (including pre-commitments) totalled £32.8m. Annex 2 is based on the information previously collated, but amended to include elements that now fall within the grant allocation. It analyses the total value at Public Health policy area level.
13. Further validation work has now taken place between Local Authority Procurement, Finance and NHS Contracting Teams and table 1 below summarises the outline financial plan for consideration.

Table 1

	£
Pre-commitments (inc Staff costs and Directorate expenses)	29.9
Estimated Local Authority Overheads	0.4
Income from Police and Crime Commissioner	(0.6)
Estimated Prescribing Costs relating to Primary Care Services (Sexual Health & Tobacco Control)	0.9
PH Directorate proposals (Annex 2 – column 3)	2.8
Innovation/Development fund	1.2
Earmarked Reserves for recurrent items (premises, service growth)	0.5
Total £	35.1

14. It is recommended that a Public Health Innovation/Development fund is created with the remaining Public Health Grant balance of £1.2m. Proposals against this fund will be prioritised in line with the Health & Wellbeing Strategy, the Business Plan and the Public Health Outcomes Framework. A further report will be presented to the Public Health Subcommittee for approval of any proposed plans.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

The Public Health Subcommittee are asked to:

- 1) Note the information on the Public Health Grant for Nottinghamshire, including the allocation, purpose and reporting arrangements.
- 2) Approve the Outline Financial Plan, and creation of an innovation/development fund with effect from 1 April 2013.
- 3) Receive a further report on Public Health proposals for approval at a future meeting.

Chris Kenny
Director of Public Health

For any enquiries about this report please contact:
Cathy Quinn, Associate Director of Public Health

Constitutional Comments (NAB 1.2.13)

16. The Public Health Sub-committee has authority to approve the recommendation set out in this report by virtue of its terms of reference.

Financial Comments (NR 1.2.13)

17. The financial implications are set out throughout the report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Electoral Division(s) and Member(s) Affected

All