

**Decision Maker:** EXECUTIVE

For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on 9<sup>th</sup> February 2016

**Date:** 10<sup>th</sup> February 2016

**Decision Type:** Non-Urgent Executive Key

**Title:** PROPOSAL FOR THE COUNCIL'S PUBLIC HEALTH BUDGET 2016/17 AND 2017-18

**Contact Officers** Dr Nada Lemic, Director of Public Health

**Chief Officer:** Dr Nada Lemic, Director of Public Health

**Ward:** All

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1. Reason for report

1.1 This report sets out the proposal for the Public Health budget for 2016/17 and 2017-18

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**RECOMMENDATIONS**

**2.1 Care Services PDS are asked to note and comment on the contents of this report and provide their comments to the Executive for their consideration.**

- Consultation on the proposals commenced with staff, trade unions and other stakeholders on 15 January 2016 and will conclude on 15 February 2016. The PDS committee are asked to consider any comments arising from consultation, which will be made available to the Committee on the day.

**2.2. Members of the Executive are asked to:**

- Note the comments from the Care Services PDS Committee, along with the outcome of the consultation with staff, trade unions and other stakeholders.

**2.3. Subject to the outcome of consultation with all stakeholders the Executive are asked to:**

- (i) recommend to Council that the Public Health grant for 2016-17 and 2017-18 is utilised as proposed in this report; and
- (ii) subject to Council approval of the above (in context of the overall Council budget), agree to give notice to relevant contracts.

### Corporate Policy

1. Policy Status: Existing Policy
  2. BBB Priority: Children and Young People Excellent Council Supporting Independence
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### Financial

1. Cost of proposal: Within existing officer capacity
  2. Ongoing costs: Recurring Cost:
  3. Budget head/performance centre: Director of Public Health
  4. Total current budget for this head: £13.9million (2015/16)
  5. Source of funding: Department of Health; Public Health Grant
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### Staff

1. Number of staff (current and additional): 32
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance:
  2. Call-in: Applicable:
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough Wide
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### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

### 3. COMMENTARY

#### 3.1 Context

Local Authorities have been subjected to an unprecedented reduction in their funding and the need to balance their budgets, whilst still providing necessary services to residents. Additionally, in July 2015, the Department of Health announced the in-year reduction in the Public Health grant of 6.1%, which for Bromley equates to £919,000.

Following the extensive discussions and work during the autumn, this paper sets out the proposed mechanism to manage this reduction in the grant in 2016-17 and 2017-18. Proposals for the reduction of the Council's budget for Public Health were included in the Draft Budget Report, considered by the Executive at its meeting on 13 January 2016. The Executive are asked to recommend that full Council agree to these proposals as part of the Council's budget setting process for 2016/17.

#### 3.2 Public Health Budget Proposal

To achieve the necessary saving it is proposed to:

- Focus on the provision and commissioning of statutory and mandated Public health services
- Reprioritise the use of some elements of the Public Health grant to focus on addressing wider determinant of health
- Achieve further general efficiencies

The above will be achieved over a period of 2 years (2016-17 and 2017-18) due to the nature of different contractual arrangements and other constraints to achieve savings earlier.

##### 3.2.1 Public Health services that will be commissioned or provided in 2016-17 and 2017-18

###### Adult Public Health Services

###### Sexual Health Services

- Control of sexually transmitted infections
- Reduction of unplanned pregnancies

###### Substance Misuse Service

- Adult Substance Misuse Service
  - o stabilisation and assessment, recovery service and intensive prescribing
  - o needle exchange and supervised consumption
- Children and Young People Substance Misuse service

###### NHS Health Checks

- Identification and management of patients at risk of developing cardio-vascular disease

###### Smoking cessation programme – 2016-17 only

- Individual or group sessions for high risk patients who wish to give up smoking

###### Health improvement programme – 2016-17

- Diabetes prevention programme
- Mental wellbeing programme

## Children Public Health Services

### Health Visiting Service

- Antenatal visit
- New birth visit
- 6-8 week review of maternal mental health
- 1 year review
- 2-2½ year review jointly with education - support to be “ready for school”

### Family Nurse Partnership

### School nursing – 2016-17 only

- Immunisation
- Support for children with chronic disease
- Safeguarding

### Childhood obesity programme

- National Childhood Measurement Programme (NCMP)
- Obesity programme for children identified through the NCMP – 2016-17 only

## Other Statutory Public Health Functions

### Joint Strategic Needs Assessment (JSNA) and Health Surveillance

- Monitoring of the health of the local population
- Production of the JSNA
- Lead on the development of the Pharmaceutical Needs Assessment (PNA)

### Public Health Support to the NHS

- Assessment of health care needs of the local population
- Provision of evidence of clinical and cost-effectiveness
- Conducting appraisals to support commissioning decision
- Support to the Individual Funding Request (IFR) process

### Health Protection

- Prevention and planning response to health protection incidents and communicable disease outbreaks
- Local infection prevention and control, outbreaks and incident management

### Teaching and training

- Educational placements and supervision for GP trainees and Public Health trainees

### Director of Public Health Function

- Principal advisor on all health matters to the Local Authority
- Leadership role across three domains of public health: health improvement, health protection and health care public health

## **3.2.2 Reprioritisation of the Public Health grant**

The proposed focus will be on provision of key statutory Public Health services. There will be a reduction or cessation of provision and /or commissioning of non-statutory and non-mandated services and reprioritisation of the Public Health grant to address wider determinants of health.

The commissioning and provision of the following services will be either reduced or ceased:

#### 2016-17

- Sexual health – reduction in commissioned activity
- NHS Health Checks – reduction in commissioned and provided activity
- Adult weight management – cessation of commissioned service
- Adult exercise referral scheme – cessation of commissioned service

#### 2017-18

- General health improvement – cessation of commissioned service
- Smoking cessation – cessation of commissioned
- School nursing – cessation of commissioned service, alternative funding will be considered for 2016-17
- Childhood obesity programme – cessation of commissioned service

In order to achieve these savings, it will be necessary to give notice to relevant contracts.

### **3.2.3 General efficiencies**

It is proposed that there will be further general efficiencies within the Public Health Division, including reduction or cessation of all non-statutory activities and costs.

In relation to the above proposal for the Public Health budget in 2016-17 and 2017-8, it is proposed to consult with relevant stakeholders in line with the Council policy. The Equality Impact Assessment has been conducted.

## **4. POLICY IMPLICATIONS**

- 4.1 This report is in relation to the business processes that will be established or maintained to administer existing contracted services. Authorisation to commission these services remains with Members working within the stipulations and statutory responsibilities laid out in the Public Health grant. The work is in accordance with the Health and Social Care Act 2012 and The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2012.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The Public Health Grant is a central government grant which is ring-fenced until 2017/18. The original Department of Health grant allocation for Bromley was £12,953,600 in 2015/16. However, there will be a reduction in the Grant in 2015/16 by 6.1% overall.
- 5.2 From October 2015, responsibility for Health visiting passed from NHS Health England to Public Health in the Local Authority. The annual value for this service is £3.8m in 2016/17. £1.901m has been transferred for the part year effect in 2015/16 and was held in contingency. This was released by the Executive on the 2nd December 2015.

The Health Visiting service specification has been developed nationally and is mandated in five key areas (antenatal health promoting reviews, new baby reviews, six to eight week assessments, one year assessments, and two to two and a half year reviews) by the Department of Health. The service is currently tied up in contracts with Bromley Healthcare and the contracts have been novated over to the Local Authority. The funding is ringfenced for Public Health services. The overall grant position is derived as follows in Table 1:-

Table 1. Public Health Grant 2016-17 and 2017-18

	ORIGINAL 2015/16 BUDGET	FINAL 15/16 BUDGET (HV AND GRANT REDUCTION)	16/17 BUDGET	17/18 BUDGET
	£000	£000	£000	£000
GRANT INCOME	-12,954	-12,954	-12,954	-12,954
ADDITIONAL HEALTH VISITING GRANT		-1,901	-3,802	-3,802
GRANT REDUCTION		919	919	919
TOTAL GRANT	-12,954	-13,936	-15,837	-15,837

- 5.3 The draft 2016/17 Budget report includes a provisional estimate of further losses on public health funding over the period 2016/17 to 2019/20. Current estimates indicate a loss of £347k in 2016/17 rising to £1,542k in 2019/20. These figures should be treated with caution at this stage as the details of the final allocation including changes to the grant formula are awaited. However the Government have indicated there will be cuts to Public Health funding.
- 5.4 The grant conditions require quarterly financial reporting to the Department of Health against a set of standardised budget reporting lines and the expenditure must be explicitly linked to the Health and Wellbeing Strategy, Public Health Outcomes Framework and the Joint Strategic Needs Assessment. The Council will need to show that it spends the Grant on Public Health related expenditure. The reporting categories are sufficiently flexible to allow local decisions about what services are commissioned to be reflected sensibly. The Grant can be used for both revenue and capital purposes.
- 5.5 The expectation is that funds will be utilised in-year, but if at the end of the financial year there is any under spend this can be carried over, as part of a Public Health Reserve, into the next financial year. In utilising those funds during the next year, the grant conditions will still need to be complied with.
- 5.6 There is also a statement of assurance that needs to be completed and signed off by the Chief Finance Officer and Director for Public Health at year end. The expenditure for Public Health services will be included within the overall audit of the Council's statement of accounts and the Council needs to evidence that it spends the Grant on public health activities across the Council.
- 5.7 2016/17 and 2017-18 spending decisions are subject to Member approval as part of the Medium Term Financial Strategy/budget setting process. Therefore the 2016/17 and 2017-18 budgets for these contracts are indicative until that time.

## 6. LEGAL IMPLICATIONS

- 6.1 This report uses existing legal frameworks, such as the scheme of delegation, to manage and administer the responsibilities placed on the Council.
- 6.2 The need to follow the guidance in paragraph 13 of the Ring Fenced Public Health Grant letter is key:

*“13. In giving funding for public health to local authorities, it remains important that funds are 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.”*

6.3 As is condition 3 of the Grant Conditions:

*“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 (as amended by the Health and Social Care Act 2012) (“the 2006 Act”).”*

6.4 There is independent audit and provision for claw back if the money is not spent appropriately.

6.5 Education, care and health services are subject to the application of the “light touch” regime under the Public Contracts Regulations 2015.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 There are currently 32 staff employed within the Public Health team. Informal discussions with staff around proposals for reducing public health service provision has been ongoing since the Department of Health announced the reduction in the Public Health grant earlier this year. Formal consultation with staff and trade unions, on the staffing implications arising from these proposals commenced on 15 January 2016 and will end on 15 February 2016. Consultation with trade unions has included Unison, Unite and GMB, along with the nursing and medical trade unions (RCN and BMA) who represent the health professionals employed within the team. Responses received from the consultation to date will be tabled for consideration by Members.
- 7.2. If the recommendations outlined in this report are agreed it will be necessary to restructure the Public Health team to reflect the revised priorities arising from these proposals. The proposals will place 16 staff at risk of redundancy. The Council will endeavour to avoid or minimise redundancies by seeking to redeploy staff to alternative roles, through the Council’s procedures for Managing Change wherever possible. Voluntary redundancies as an alternative to forced redundancies may be considered consistent with good HR practice and the legal requirement “to mitigate, reduce and avoid redundancies if possible”