

SLOUGH BOROUGH COUNCIL

REPORT TO: Health Scrutiny Panel **DATE:** 1st October 2015

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WARD(S): All

PART I **FOR COMMENT & CONSIDERATION**

PUBLIC HEALTH GRANT – FUNDING CUT IMPLICATIONS

1. Purpose of Report

To inform the Health Scrutiny Panel (HSP) of the level and impact of the impending 'in year' reduction to the Public Health Grant following central government consultation.

To share the local response to the national consultation and the options being explored for reducing costs in year and the choices being considered.

2. Recommendation(s)/Proposed Action

Members are requested to consider the report and its implications for public health services in Slough. As part of this, the Panel should consider the options for in year cost reductions which include; staffing levels and a reduction of contributions to other council services that have supported public health functions to date.

The supporting evidence on comparative funding and priorities can be found in Appendices 1a and A respectively.

3. The Slough Wellbeing Strategy, the JSNA and the Five Year Plan

3a Slough Wellbeing Strategy priorities

The public health grant funds a wide range of mandated and non-mandated activities within the Health Strategy, which sits under the Slough Wellbeing Strategy and also supports the health ambitions within the Children's and Young Peoples Plan (CYPP). Expenditure follows the priorities set within the Public Health Outcomes Framework.

The funding supports the Slough Wellbeing Strategy in the following ways

Health – the priorities in the CYPP aims to improve children and young people's emotional and physical health and encourage healthy eating and tackle poor dental health.

Safer Communities – the funding supports the Safer Slough Partnership through the work of the drug and alcohol team's commissioned services. It also supports vulnerable children through the children's services improvement programme and early help agenda

3b Five Year Plan Outcomes

The Public Health Grant supports Outcome 5 of Slough Borough Council's Five Year Plan (Children and Young People in Slough will be healthy, resilient and have positive life chances). There are a series of key actions underneath Outcome 5, which the funding will help to deliver:

- Develop more preventative approaches to ensure children, young people and families are safe, independent and responsible.
- Slough Children's Services will be one of the best providers of children's services in the country, providing timely, purposeful support that brings safe, lasting and positive change.
- Ensure vulnerable children and young people are safe and feel safe.
- Ensure children and young people are emotionally and physically healthy.
- Ensure children and young people enjoy life and learning so that they are confident about the future and aspire to achieve to their individual potential.
- Ensure children and young people with SEND and their families receive comprehensive, personalised support from childhood to adulthood.

The public health grant also supports Outcome 6 (More people will take responsibility and manage their own health, care and support needs).

- Encourage all residents to manage and improve their health
- Target those residents most at risk of poor health and wellbeing outcomes to become more active more often
- Build capacity in the voluntary sector to enable a focus on supporting more people to manage their own care needs

The work of the Drug Alcohol Action Team (DAAT), funded through public health grant supports Outcome 6 and a review of the DAAT is currently being undertaken in order to identify programmes of work that could reasonably be implemented in order to meet the desired impact of this outcome,

The public health grant also supports Outcome 7 (maximise savings from procurement, commissioning and contract management).

4. Other Implications

(a) Financial

The financial implications are outlined in section 5 and represent the impact of a 6.2% cut in year to the total grant of £5.48m plus the half year effect of the transfer of the health visiting service valued at £1.5m. The total new savings required in year are £400,000 in addition to savings of £950,000 already achieved. Despite taking considerable preventative action there is likely to be a shortfall of £427,000 which can be moderated in 2016-17 and 2017-18 through a planned process of contract closures.

(b) Risk Management

The main risks are financial and staffing related.as shown in section 5

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act implications to the proposed action.

(d) Equalities Impact Assessment

An EIA has been conducted for the team redesign

5. **Supporting Information**

- 5.1 The Public Health Grant supported the following prescribed and non prescribed functions in 2014-15 as shown in Table 1 below

Table 1 Public Health Revenue Outturn 2014-15

61 Sexual health services - STI testing and treatment (prescribed functions)	1,738,312.95
62 Sexual health services - Contraception (prescribed functions)	37,010.90
63 Sexual health services - Advice, prevention and promotion (non-prescribed functions)	8,983.29
65 NHS health check programme (prescribed functions)	64,447.50
66 Health protection - Local authority role in health protection (prescribed functions)	81,142.89
68 National child measurement programme (prescribed functions)	92,000.00
70 Public health advice (prescribed functions)	316,600.00
71 Obesity – adults	96,756.39
72 Obesity – children	59,000.00
73 Physical activity – adults	140,648.00
74 Physical activity – children	12,900.00
76 Substance misuse - Drug misuse – adults	1,777,600.00
77 Substance misuse - Alcohol misuse – adults (within figure above)	0.00
78 Substance misuse - (drugs and alcohol) - youth services	81,400.00
80 Smoking and tobacco - Stop smoking services and interventions	387,350.00
81 Smoking and tobacco - Wider tobacco control	0.00
83 Children 5–19 public health programmes	268,860.00
85 Miscellaneous public health services	663,485.04

- 5.2 The Public Health Grant is set by central government as part of the Council's annual spending review. At the point of transfer of Public Health services from the NHS, the funding was set on the basis of historical expenditure within the NHS. This was 43% below the funding target agreed by central government as necessary to meet the health inequalities needs of Slough.
- 5.3 The national reduction of 6.2% of the total public health grant imposed 'in year' will effectively create a shortfall in 2015-16 of £427,000 if the grant reduction is implemented, increasing the funding gap from target to 50%.
- 5.4 £950,000 savings have already been made in year to date to meet the requirements of the Council to transform services within reducing resources. Every new public health service commissioned is tested rigorously against the needs of Slough, the expected rates of return on interest and the quality of the evidence that it can deliver the desired outcomes
- 5.5 The long term goal is to reduce costs within the greatest areas of spend (drugs and sexual health) to increase investment in four main areas of prevention (obesity, tobacco, inactivity and alcohol consumption) but that this change will need to be managed within contract periods and in collaboration with partners in the CCG who contribute to shared pathways.
- 5.6 The scope for reducing spend in traditionally high cost mandated services is set out in sections 5.7 to 5.25 and that the options presented are illustrative at this stage.

5.7 Prescribed functions (table 1, section 5.1)

- 5.8 Line 61 refers to sexual health services which are free at the point of contact anywhere in England. Residents can attend the Upton Hospital service locally (which is under a block contract to 2018) or visit out of area hospitals. Rigorous monitoring of out of area costs has enabled a reduction to be achieved in 2014-15. There is limited scope to remove further costs with the exception of outreach chlamydia services. The earliest this can take place is from 2016-17 onwards and the choice would be based on comparative cost effectiveness and the preference young people have made for a web based ordering service, which aims to provide a more inclusive service covering not just chlamydia, but also access to an HIV self-testing kit on line ordering system.
- 5.9 Line 62 refers to family planning services which are provided holistically alongside the above. These are provided by some local GPS as well as via the block contract in line 61 above – the latter cannot be changed until 2018.
- 5.10 Line 63 refers to condom provision which is an essential barrier to HIV and other sexually transmitted infections. This provision is made only to the most vulnerable groups and supports an East Berkshire wide delivery model.
- 5.11 Line 65 refers to the mandated health checks for all 40-74 year olds that do not have an existing heart, kidney or diabetes condition. They are recalled once every five years. This check is carried out by the GPs and there is scope to limit activity in year to the desired threshold set nationally which is 66% of those eligible.
- 5.12 Line 66 refers to the requirement to have a lead consultant for health protection. This function sits within the central team staff costs in Bracknell which will see a fall of 7% in costs.
- 5.13 Line 68 refers to the requirement to weigh and measure every child on reception into school and at year six. A small team within the school nursing service implements these essential checks which in reception also include vision and hearing screening.
- 5.14 Line 70 refers to the requirement to provide public health advice to the council and its partners for a range of health improvement, health and social care service improvements, action on the wider determinants of health and reduction of health inequalities. Under the national memorandum of understanding, there is a requirement to provide an updated Joint Strategic Needs Assessment and to support the development of updates to the Joint Wellbeing Strategy. There are two separate staff costs; the SBC team and the central Bracknell Forest costs for the Information team, the strategic DPH and consultant in health protection. There is scope to reduce the costs of both teams.
- 5.15 Line 71 refers to the non-mandated option to provide adult obesity programmes (weight management programmes). There is scope to reduce investment within this line as other funding in the council is providing support to adults for physical activity. There is also a large backlog as this service is proving popular and is used as a referral when people are identified as at risk from the health checks programme. Scrutiny may wish to debate the benefits of charging for these services to enable a wider group of people to benefit.

- 5.16 Line 72 refers to the non-mandated option to provide childhood obesity programmes (universal and targeted lifestyle and weight management programmes rather than specialist interventions which are the domain of the CCG to fund). There is no scope to reduce investment within this line as the service has just been commissioned following a tender process. This service will be critical to deliver the national directive to produce an integrated childhood obesity management plan. Although childhood obesity levels in reception have improved (awaiting national validation) Slough remains in the highest fifth in England for obesity rates in children in year 6.
- 5.17 Line 73 refers to the non-mandated option to provide physical activity programmes for adults. Although adult physical activity levels have improved in year one of the leisure strategy Slough remains in the lowest fifth in England on this measure.
- 5.18 Line 74 refers to the non-mandated option to provide physical activity programmes for children. This line is now combined with line 72.
- 5.19 Lines 76, 77 and 78 refers to the non-mandated option to provide drug misuse and alcohol services. These services are fully integrated and this line has already been reduced in year. There is scope to end some small contracts. Further scope remains for 2017-18 when contracts are due to be renewed and a full cross Berkshire devolved model of service is in place.
- 5.20 Lines 80 and 81 refers to the non-mandated option to provide smoking cessation and tobacco control services. The service has been actively retendered to ensure costs are capped going forward into 2016-2019 and this also will yield a cost reduction.
- 5.21 Line 83 refers to the non-mandated option to provide services in line with the Healthy Child programme for those aged 5-19. This includes school nursing services (less the cost of the weighing and measuring programme). Notice has been given of the intention to re-contract a 0-19 health child programme.
- 5.22 The final line (85) refers to all other services that are optional; for Slough this includes a contribution to the voluntary sector strategy, a contribution to cross council services that deliver public health outcomes and small services that provide data on outcomes from the GP provided services
- 5.23 The priorities for Slough are set out in Appendix 1 which shows that there is not enough funding to meet the needs of Slough. The response to the public consultation will not be clear until late November 2015 when the allocations are announced for 2016-17.
- 5.24 The Panel should consider that the existing in year recovery plan valued at £750,000 has already been met through strong performance management and validation of payments. A further £200,000 will also be delivered to the council.
- 5.25 A case for retaining the level of funding has been presented to the national consultation as shown in Appendix 1. The difficulty rests with meeting the new in year demand of an additional 6.2% cost reduction imposed in July 2015. It is likely that unless some key contracts underperform a shortfall of £427k is predicted. This will require an agreement with the Corporate Management Team and then Commissioners and Directors when the full grant allocation is known.

6. Conclusion

- 6.1 The funding impacts of an in year 6.2% cut are severe in a local authority which is already the lowest funded amongst equivalent areas of deprivation in the country as shown in Appendix 1
- 6.2 Much has been done to limit costs and to review contract performance throughout the year and the suggestions made in section 5.2 are based on these
- 6.3 Suggested areas for further reducing costs in year include; staffing costs, reductions in contributions to internally funded services and for 2016-17 the outreach Chlamydia screening service (based on the evidence). Warnings have been sent to all providers about the impact of this national cut.
- 6.4 Longer term savings plans for 2017-18 will bring the budget into balance and support outcome 5 to deliver an integrated 0-19 service.
- 6.5 The goal in the next few years is to move expenditure closer to need. The key priority is to reflect the local CYP plan and new government priority to support a multifactorial prevention programme for tackling the risk factors for childhood obesity. This will require cross cutting work to tackle risk factors within housing, the environment (via travel and transport) as well as through education. It is important to note that obesity in adults has now overtaken tobacco in terms of early deaths. The third area of harm which is being addressed is the need to progress the alcohol strategy to rebalance expenditure on prevention and the physical activity elements of the leisure strategy.

7. Appendices

- 1 - Public Health Grant cut: a response to the government consultation

8. Background Papers

None