

Theme and Overview: 11. Demand Management: Improving Public Health - Optimising the Use of the Public Health Ring Fenced Grant

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Overview of proposal:

This project will examine how the Public Health Ring Fenced Grant (PHRFG), rather than Council base budget can be used to optimise health improvement and prevention of ill-health. In particular, a refreshed approach to adult prevention is needed, and the cross system work on NHS Sustainability and Transformation Plans and the enhanced Better Care Fund afford new opportunities. Commitments against the existing PHRFG allocation will be reviewed. Priorities for investment in prevention will be considered to ensure that resources are targeted at those areas which deliver most impact in terms of securing strong services which reduce demand and ensure compliance with statutory duty. Those priorities include supporting residents to become self-reliant in living longer, healthier, better quality lives and to remain independent for as long as possible.

The Council took on new duties for population health improvement under the Health and Social Care Act 2012, and from April 2015 new duties for prevention and wellbeing under the Care Act. The project will review all PHRFG spend systematically, ensuring good performance against the Public Health Outcomes Framework, based on clear evidence.

Investment requirements including technology, resources, assets and people (including any potential redundancy costs):

To be determined and would form part of any business case going forward, including any relevant consultation required.

What will be the key outcomes?

- Reduction in Council base budget expenditure (by contributing £1m in 17/18 and £0.5m in 18/19) recurrently by use in relevant areas of business, consistent with the grant conditions
- Prioritise Public Health Spend, ensuring a profile of spend which ensures statutory compliance, strengthens a systematic approach to prevention and reduces demand for Council services

What additional savings/income is targeted and when is this expected to be delivered?

Budget				
2016/17	£30.6 million			
Savings				
Initiative	2017/18 £,000	2018/19 £,000	2019/20 £,000	Post 2020 £,000
	1,000	500		
Total	1,000	500		

In 2017/18 this figure will be identified from reprioritisation of spending, in the context of a better than expected PHRFG award and some savings from more targeted prevention.

In 2018/19 reductions in grant are yet to be confirmed. We are awaiting the Government consultation on the removal of ring fenced funding. Savings will be possibly realised from the more targeted prevention work across WCC and by working closely with partners who hold related statutory duties.

Additional Supporting Notes:

Since the Council took on new statutory duties for Public Health in 2013/14, some activities previously funded from Council base budget have been funded from the Public Health Ring Fenced Grant. In addition to this there was an in year announcement of reductions and grant funding to 19/20.

Base budget expenditure over the 3 years has been around £5m recurrently in Adult Services and £1.5m in Children's. Non recurrent monies have also been used to mitigate the impact of planned reductions.

It has also been announced that there will be a public consultation in 16/17 on a proposal to remove the PHRFG with a move to a model based on retained business rates. Central Government have yet to publish any detail of how this change will work.

The NHS Sustainability and Transformation Planning process gives a good opportunity to work across the system to focus on prevention, and to ensure all NHS services mainstream some priority activity on prevention. The County Council will work closely with the NHS to shape this approach.

What will be the key work streams that will enable the delivery of this theme and who will lead their ongoing development?

1.	Workstream – Review of existing commitments against the 2017/18 PHRFG to confirm unallocated grant
	Lead Head of Service: Frances Howie/Karen Wright
2.	Workstream – Review of priorities for investment in prevention and target resources at those areas which deliver most impact in terms of reducing demand and ensuring compliance with statutory duty
	Lead Head of Service: Frances Howie/Karen Wright
3.	Workstream – Review of contracts for those areas where reductions can be made – re-profile spend
	Lead Head of Service: Frances Howie/Karen Wright

What are the key milestones for delivery?

July 2016 – Review of existing commitments against the 2017/18 PHRFG

March 2017 – Consider expected Government consultation on changes to the grant

April 2017 – Priorities for investment reviewed and agreed

What are the risks and their impact?

#	There is a risk that.....	Which could (impact).....	Mitigations
1	There may be challenge to the use of the PHRFG	Worcestershire may be deemed not to have spent grant within the conditions	Ensure that the proposed spend meets requirements, in discussion with Public Health England
2	Increased demand on mandated areas of spends	Impact on the balance of expenditure between mandatory and discretionary areas.	Ensure that the mandated budgeted service areas can meet demand, strengthening our prevention work to reduce demand
3	Performance against the Public Health Outcomes Framework drops so that health and well-being falls below average	Impact negatively on the population and put further pressure on system-wide services	Consultant-led service redesign and improvement work with providers

4	Redressing the balance towards prevention reduces funded service offer from Adult Social Care	Numbers coming into adult social care rise	Service redesign through BCF and STP work, but note that the BCF may also have savings attached Working through the Health and Wellbeing board and BCF to ensure system coherence
5	Staffing for Public Health has already been reviewed and reduced Use of PHRFG to offset base budget may limit opportunities to build staff capacity to deliver excellently against Health and Social Care Act work	Impact on Council delivery of statutory duties which require a fully staffed specialist team	Maintaining focus on staff development and one team working