

HEALTH AND WELL-BEING

30 SEPTEMBER 2015

PUBLIC HEALTH RING-FENCED GRANT

Board Sponsor

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Relevance of Paper - Priorities

Older people and long term conditions
Mental health and well-being
Obesity
Alcohol

Relevance - Groups of Particular Interest

Children and young people
Communities and groups with poor health outcomes
People with learning disabilities

Item for Consideration

Recommendation

- 1. The Health and Well-being Board is asked to consider and comment on the evolving proposals for savings and reinvestment of the public health ring-fenced grant in order to inform the final decision for each service.**

Introduction

2. In July 2015 Worcestershire County Council Cabinet approved a range of initial proposals for savings and reinvestment of the public health ring-fenced grant (PHRFG). These are summarised in Appendix 1. Some of the services affected by these proposals were also affected by the March 2014 Cabinet decisions on prevention, early help and other support for adults and young people.
3. This was in the wake of a Treasury announcement on 11 June 2015 that the government intended to reduce the national PHRFG by £200m in 2015/16, with this reduction passed on to Local Authorities.
4. Cabinet requested that the Director of Adult Services and Health initiate discussions with partners and providers of services, and undertake consultations and Equality Impact Screenings or full Equality Impact assessments as necessary, and delegated a final decision for each service to the Cabinet Member for Health and Well-being in discussion with the Director of Adult Services and Health.

5. The County Council has had constructive discussions with partners and providers over the summer period and the proposals have evolved as a consequence. It is not yet clear when the Department of Health (DH) will confirm the reductions in the PHRFG and it may be necessary to make final decisions before this is confirmed in order to allow a sufficient period for implementation.

Background

6. The PHRFG was created under the Health and Social Care Act 2012 to support unitary and upper tier Local Authorities' new duties for improving the health and well-being of the local population. In Worcestershire, our initial PHRFG allocation in 2015/16 was £26.5m. In addition to this, in October 2015 a further £3.3m will be transferred from NHS England to fund 0-5 Years public health services for the remaining six months of the financial year.

7. A summary of current commitments against the PHRFG is included in Appendices 1 and 2. The PHRFG is committed in line with:

- The County Council's **corporate plan 2013-17**;
- The **Joint Health and Well-being Strategy** and associated plans;
- The County Council's **Care Act prevention policy**;
- **Nationally mandated** and **discretionary specified** conditions for expenditure; and
- The **evidence base** for interventions that have proven successful in improving health and well-being and reducing health and social care demand.

National consultation

8. The DH has consulted on the reduction in the PHRFG. The County Council's response is set out in Appendix 3.

9. The DH has not yet confirmed how the £200m in year reduction will be apportioned across local authorities, although the consultation did indicate that they favoured applying a 6.2% reduction to all local authorities. The DH have not confirmed any figures for the PHRFG in the longer term, and it is important to note that the PHRFG is not a protected area of spend. The County Council's revised planning assumption is for a reduction in the PHRFG of 6.2% in-year, and that this will be followed by further reductions to 29% below our current target position of £28.2m by 2019/20. This is in line with the reductions expected in government spending across the public sector, excluding protected areas of spend.

Local discussions and consultation

10. A list of discussions held so far with partners and providers is included in Appendix 4. The County Council has also referred back to comments received during the previous consultation on prevention, early help and other support for adults and young people in November 2013.

11. The main issues raised so far and the County Council's *points in response* are listed below. A consistent theme was the anticipated reductions in funding across the public sector, the potential for a cumulative impact across the system, and therefore the importance of a joined up approach to financial planning.

Clinical Commissioning Groups (CCGs)

12. The CCGs raised a number of concerns:

- That the County Council is planning to make greater savings than necessary.
The revised planning assumption is in line with the reductions expected in government spending across the public sector excluding protected areas such as the NHS.
- That the savings are inconsistent with the NHS ambition for “a radical upgrade in prevention and public health”.
This seems to reflect a lack of 'join up' within the Department of Health and raises questions about the extent to which the Five Year Forward View is an NHS as opposed to a 'whole systems' document.
- That the PHRFG includes funding for NHS services as a consequence of transfers from the former NHS Worcestershire, and that the initial proposals include that this would be discontinued.
The County Council has maintained funding for these services (Primary Care Mental Health and Child Development Centres) during 2013/14 – 2015/16. As the PHRFG and CCG allocations move towards their respective target positions, the PHRFG will have to be limited to funding the County Council's public health responsibilities, and funding for NHS responsibilities will be within the CCG baselines. The County Council will consider whether it could maintain PHRFG funding for Child Development Centres until April 2017, and will support funding Primary Care Mental Health from October 2016 from the anticipated 1.7% uplift in the Better Care Fund.
- That the savings might increase demand for NHS services.
This would be mitigated by use of reserves to delay the majority of the savings until 2016/17 or beyond in order to allow time for service redesign and recommissioning, which would aim to maintain outcomes for people and avoid a detrimental impact on other services wherever possible.
- That the impact of Health Checks, smoking cessation and Living Well services is limited and that these do not compliment CCG commissioned services.
The proposals for these services have been revised as described below and in Appendix 1.

District Councils

13. The District Councils are most concerned about the potential reductions in funding for homelessness services and housing related support for adults and young people. Their view is that this would lead to an increase in rough sleeping, with adverse impact for the wider community and for the health of the individuals concerned; and an increase in services that would have to be funded by social care and other public services if adults and young people were no longer supported in accommodation. They are keen to do further work to establish the potential impact on health and social care. Their priorities would be to maintain funding for (in order of priority):

- (1) homelessness services;
- (2) housing support for young people; and

- (3) housing support for single adults who do not have other support available – e.g. adults with acquired brain injury.

They would be interested in joint commissioning and/or delegation of funding for some of these services in order to allow efficiencies and to support bids for alternative sources of income.

The County Council will explore whether it might be possible to maintain some funding for homeless services and housing related support for priority groups of single adults. It will also work with the District Councils to consider how funding can be aligned – including the possibility of joint commissioning and/or delegation of funding for some of these services. For Families and Young People housing related support the revised proposal is to maintain funding until April 2017 and then discontinue funding as the new model of prevention services for children and young people becomes embedded

West Mercia Police

14. Both the Office of the Police and Crime Commissioner (OPCC) for West Mercia and the Force are most concerned about the impact of potential reductions in funding for homeless, domestic abuse, and drug and alcohol services. They are expecting a significant reduction in central government funding, which represents 55% of their total budget and are keen to work with local authorities to join up services for crime prevention and victim support. One of their priorities would be to maintain funding for homeless services in order to give police officers an option other than arrest. This is in the context of a recent rise in antisocial behaviour associated with homelessness. In addition to this the pressures on policing in responding to domestic abuse reported offences has seen an increase of 90% in recent years, and the Domestic Abuse Helpline has seen an increase in the last 12 months of 40%. The connectivity between substance misuse, domestic abuse and homelessness is well documented and any further reductions in these services will add to the capacity issues faced by the force. The OPCC and the Force open the invitation to explore shared outcomes, alignment of resources and joint commissioning to reduce duplication and transform service design.

Discussions with the new provider of drug and alcohol services suggest that a saving of 10% in 2016/17 should be achievable as a consequence of the service improvement work already underway, and that it should be possible to maintain outcomes for people and avoid a detrimental impact on other agencies. Revised proposals in respect of homelessness and domestic abuse services are set out below and in Appendix 1. The County Council is working with West Mercia Police to develop a new joint commissioning framework from April 2016. This would ensure that funding from both partners is based on a shared understanding of needs and priorities and help to optimum support pathways in order to generate service efficiencies. A peer review of community safety is underway which would ensure that strategic oversight of crime and disorder is robust across partners.

Strategic Housing providers

15. Members of the Worcestershire Strategic Housing Partnership (WHSP - Strategic Housing Officers for Districts and Registered Social Landlords) are most concerned about the potential reductions in funding for homelessness services and housing related support for adults and young people. The effects of these cuts are compounded by other challenges facing them – e.g. the imposition of rent reductions of 1% per annum for the next four years which may result in them focusing on core services rather than prevention. They do not believe that they would be able to find alternative funding

for these services. The housing sector is increasingly reliant on income from housing benefit, which may not be secure. Without housing related support they might not be able to accept some residents, which could lead to an increase in District Council housing waiting lists, ultimately leading to increased demand, and therefore costs, for health services and the Police. They would prefer an early decision and to be involved in discussions in order to be able to plan for the impact of any funding reductions and that this should be based upon a risk assessment. Furthermore the WSHP has offered to play a lead role in redesigning services to help address, as far as is possible the reductions in funding.

Voluntary and Community Sector (VCS)

16. The VCS are particularly concerned about the cumulative impact of successive funding reductions across the public sector. This has implications for the sustainability of local organisations, their ability to provide a voice for those most marginalised in society, and their capacity to provide essential prevention services which can help people to help themselves in the longer term.

Other providers

17. Other providers have raised a number of concerns:

- That withdrawal of PHRFG funding for Childhood Development Centres without conformation of alternative sources of funding creates uncertainty about the future of services;
- That redesign of Primary Care Mental Health services could not proceed if PHRFG funding were not available and without confirmation of sources of alternative funding;
- That domestic abuse services would not be sustainable with a further reduction in funding; and
- That a reduction in funding for housing related support would remove support for people at risk of offending/reoffending.

Review of prevention services

18. The County Council has recently completed a review of prevention services. This recommended that the County Council:

- Strengthen organisational ownership of prevention and make it central to financial strategy;
- Develop a more integrated approach to commissioning of prevention services;
- Commission prevention services by outcomes – focusing on reducing demand for social care and improving health; and
- Target prevention services where appropriate to those groups most likely to benefit.

19. The review also made a number of specific recommendations in respect of some services, as described below and in Appendix 1. These recommendations will be used to inform commissioning of the services.

Current proposals

20. A summary of the current proposals for savings and reinvestment in the PHRFG are listed is included in Appendix 1. These have been developed in light of the issues raised above as well as the County Council's review of prevention services and other emerging information.

21. These proposals would allow savings of £0.8m in 2015/16, a further £2.7m in 2016/17, and a further £3.3m 2017/18. There would be an overall overspend of £3.9m over three years, which would have to be met by use of reserves.

22. The main changes since July 2015 are:

Targeted prevention services for adults

23. Drug and alcohol services. Discussions with the new provider suggest that a saving of 10% in 2016/17 should be achievable as a consequence of the service improvement work already underway, and that it should be possible to maintain outcomes for people and avoid a detrimental impact on other agencies. The review of prevention services recommended that the County Council explore the impact of these services on demand for social care. Investment in these services will be reviewed again before the end of the current contract in April 2018, taking into account evidence of performance and impact.

24. Domestic abuse services. Discussions with the District Councils, West Mercia Police and providers have raised concerns about the sustainability of services with a further reduction in funding. The County Council will retain contracts at their current value until they expire in 30 November 2016 and then make further reductions as services are recommissioning from 01 December 2016. Services will be recommissioned under the new joint commissioning framework with West Mercia Police and other partners. The specification for a new service will include a focus on reducing demand for children's social care, for which domestic abuse is a major risk factor.

25. Adults housing related support and homeless services. These are not core duties for the County Council. Nevertheless in view of the concerns raised by partners and providers the County Council will explore whether it might be possible to maintain some funding. The priority would be given to homeless services and housing related support for single adults who do not have other dedicated support available. It will also work with the District Councils to consider how funding can be aligned – including the possibility of joint commissioning and/or delegation of funding for some of these services. Some of the people in receipt of housing related support already receive adult social care and these individuals would be reassessed to ensure that their assessed eligible needs continue to be met. It is possible that some others might require adult social care if housing related support were no longer funded. A contingency has been created in case additional funding is required.

26. Primary care mental health. These are an NHS responsibility. The proposal remains to maintain funding until October 2016, and then to seek ongoing funding from the anticipated 1.7% uplift in the Better Care Fund, with the agreement of the Health and Well-being Board.

Universal prevention services for adults

27. Sexual health services. The proposal remains to reduce funding by a minimum of 10% from October 2016 with savings made by service redesign and recommissioning, focusing on the mandated elements of services. The review of prevention services recommended that the County Council considers the role of these services in identifying child sexual exploitation, and ensures that access is available to highest risk groups.

28. Health Checks. The proposal remains to maintain funding, as this is a nationally mandated service. The review of prevention services recommended that the County Council explore whether the service could be targeted towards higher risk individuals, and whether there should be any additional information, advice and follow up for people with lifestyle risk factors.

29. Smoking cessation services. The revised proposal is to consult on discontinuing funding for smoking cessation services. The review of prevention services recommended that services be targeted on higher risk groups such as pregnant women and those likely to require County Council funded adult social care, in line with the initial proposal. However in the context of emerging evidence about the impact of the ban on smoking in public places and the safety of 'vaping' as an alternative to tobacco, other approaches to smoking cessation may be more effective. Smoking cessation services are not well supported by the CCGs or local GPs and did not find strong public support during the County Council's 2015 roadshows, among non-smokers, ex-smokers or current smokers.

30. The Living Well service. The proposal remains to maintain funding, although this investment would be reviewed towards the end of the current contract in April 2018. The service specification was developed jointly with the CCGs, but in light of concerns raised by CCGs about the impact of the service the County Council would review how the service is operating and ensure that it is linked effectively to CCG commissioned services.

Prevention services for children

31. Child Development Services. These are an NHS responsibility. However, recognising that the CCGs collectively remain below their target funding levels, the County Council will consider whether it could maintain PHRFG funding for Child Development Centres until April 2017. This would give the local NHS an additional six months to identify alternative sources of funding should they wish to maintain the services.

32. Families and Young People housing related support. The revised proposal is to maintain full funding until April 2017, and then discontinue funding as the new model of prevention services for children and young people becomes embedded. This would allow for alternative sources of funding to be found if evidence suggests services need to be maintained.

33. Children's Early Help, Maternal services, 0-5 Children's public health services and School Nursing. The revised proposal is to recommission a single integrated 0-19 service from October 2016 as part of the wider re-focus of prevention services for children and young people. This would aim to improve health as well as prevent and reduce demand for children's social care and would be funded with £9.6m from the PHRFG. It would be aligned with 'edge of care' services funded from the County Council's base budget. The review of prevention services recommended that the County Council:

- Focus the services on key outcomes;
- Consider how the services can promote breast feeding;
- Prioritise interventions under the Family Nurse Partnership model;
- Provide more information and advice for young families with signposting to support available in the community; and
- Consider the role of services in identifying and addressing risk factors for children's social care.

Next steps

34. The Health and Well-being Board is a further opportunity for the County Council to hear the views of partners and others. There will be further discussions with partners and providers, as well as consultations with current and prospective users as required. These will aim to identify any additional or alternative sources of funding, ensure an understanding of the impact of the proposals on individuals, and identify any mitigation required. They will be reported to the Cabinet Member for Health and Well-being who will make a final decision for each service in discussion with the Director of Adult Services and Health.

Risks

35. **Families and Young People housing related support.** The revised proposal is to maintain funding until April 2017, and then discontinue funding as the new model of prevention services for children and young people becomes embedded. This would allow for alternative sources of funding to be found if evidence suggests services need to be maintained.

36. The reduction in the PHRFG and the consequent savings required from services generate three main risks.

- i. That ongoing improvement in health and reductions in health inequalities might be jeopardised. The County Council intends to mitigate this through service redesign and recommissioning and by strengthening other approaches to prevention: supporting healthy policy making, providing information and advice, encouraging and enabling communities, and effective gatekeeping.
- ii. That reduced investment in prevention might lead to a rise in demand for health, social care and other public services. This would be mitigated by deferring the majority of savings until 2016/17 or beyond to give partners the opportunity to consider alternative sources of funding and to allow time for service redesign and recommissioning.

- iii. That a reduction in income might destabilise providers. This would be mitigated by deferring the majority of savings until 2016/17 or beyond to give providers the opportunity to consider alternative sources of income and to allow time for service redesign and recommissioning.

Legal and Equality Implications

37. These revised proposals would allow the Council to continue to meet its legal duties for prevention under the Health and Social Care Act 2012 as well as Section 2 of the Care Act 2014, and in addition its duties under Section 17 of the Crime and Disorder Act 1998. All planned expenditure would be within the conditions of the PHRFG.

38. Equality Impact screening has been completed, which has identified that a full Equality Impact Assessments would be required in respect of the following services:

- Housing related support for adults;
- Sexual health
- Smoking cessation
- Single integrated 0-19 service

39. These Equality Impact Assessments would be completed as required and reported to the Cabinet Member for Health and Well-being in order to inform the final decision for each service.

Equality impact analysis

Equality impact screening has been completed. The impact of proposals on groups with protected characteristics will be considered in the final decision for each service

Appendices

Appendix 1: Summary of initial and revised proposals

Appendix 2: Financial impact of initial and revised proposals

Appendix 3: Worcestershire County Council response to consultation on the national reduction in the public health ring-fenced

Appendix 4: List of discussions held about the initial proposals

Supporting Information

Public Health Ring-Fenced Grant. Worcestershire County Council Cabinet. July 2015.
Prevention, Early Help and other support for adults and young people: outcome of consultation and final recommendations. Worcestershire County Council Cabinet. March 2014.

Background Papers

In the opinion of the proper officer (in this case the Director of Adult Services and Health) the following are the background papers relating to the subject matter of this report: