

## APPENDIX 14 - PUBLIC HEALTH SERVICE & SAVINGS

### 1. Introduction

1.1 From the 1<sup>st</sup> April 2013, under new statutory arrangements set out in the Health & Social Care Act, T&W Council will be responsible for a range of Public Health functions, previously commissioned or provided by T&W Primary Care Trust. To fund these new responsibilities the Council will receive a ring-fenced grant but announcement of allocations has just been deferred yet again by Department of Health until some time in January. Previous DoH announcements indicate that this area will see its level of funding cut over an unspecified period while others like Shropshire will receive increases.

1.2 The functions we will be responsible for fall largely into the following categories:

- Health Improvement – such as nutrition, obesity & physical activity; smoking cessation; dental public health; children’s health; health check for older adults and wider health and wellbeing
- Health Protection – planning to protect the local population against a range of threats and hazards to health and life
- Public Healthcare advice – providing a core offer of public health advice to the NHS locally

1.3 In addition two largely treatment related functions (with elements of health improvement and preventative activity linked to them) are also being passed to local authorities as part of the new Public Health package:

- sexual health and
- drug and alcohol treatment.

1.4 In Telford & Wrekin these functions have not previously been commissioned under a public health remit.

1.5 Some elements of the above functions are mandatory as follows, though quality and quantity are not prescribed:

- NHS Health Check Programme
- National Child measurement Programme
- Local Authority role in Health Protection
- Public Healthcare advice
- Sexual Health

### 2. Financial Summary

2.1 The PCT have indicated that they had a budget of £10.4m across all of these services, though we have not received from the PCT a fully detailed, financial breakdown as to how this sum has been arrived at. To date we have only been able to project likely spend in 2012/13 of around £9.1m on services that pass to the Council as per the table below (a detailed analysis of spend is set out later in this report).

:

T&W PCT 2012/13 Public Health budget	£10.4m
Unutilised budget in 12/13 (assumed contingency)	(£1.0m)
Possible T&W CCG responsibility 2013/14	(£0.3m)

T&W Council responsibility 2013/14	£9.1m
------------------------------------	-------

2.2 In the continuing absence of clear information from the Department of Health the working assumption at this point, is for a ring-fenced grant payment next year of £8.2m, a shortfall therefore of £0.9m based on existing spend. The announcement of the grant has now been deferred to some time in January which does not help with robust service planning and consultation.

2.3 Although we will receive a single grant we must then prioritise, the preferred distribution across three components:

- a component to support mandated services
- a component to support drugs services which are currently commissioned by DATs through the Pooled Treatment Budget (PTB) formula. These drugs services are non-mandated
- a component to support non-mandated services, other than drugs services

2.4 Very late in the day it has been announced that a Health Infection function will also pass to local authorities. This paper has not been able to take account of costs associated with this function or any grant increase that relates to it.

### 3. Public Health Services and related spend

3.1 The main areas of public health related activity can be categorised as: spend within a staffed public health unit (transferring to the Council) and externally commissioned services covering nutrition, obesity & physical activity; drug and alcohol misuse; smoking cessation; children 5-19; NHS health check programme; sexual health; and other health improvement & wellbeing as set out below. In summary:

Area of Activity	Estimated 2012/13 Spend (£000)
Public Health staff & overheads (mandated)	1,171
Nutrition, Obesity & Physical Activity	812
Smoking cessation	827
Children 5-19	583
NHS Health Check Programme (mandated)	506
Misc Health Improvement & Wellbeing	985
Drugs & Alcohol Support (treatment)	2,910
Sexual Health (mandated/treatment)	1,335
<b>TOTAL</b>	<b>9,129</b>

3.2 More detail is set out in the table below:

Public Health Services and Spend			
Service	Description	Budget/ Spend £000	Status M = Mandatory NM = Non-mandated P = HWB Priority T = Treatment OF = Impact on indicator within PH Outcomes Framework

<b>Public Health Team</b>	<p>Director of Public Health (DPH) and 17 staff responsible for Health Protection, Public Healthcare advice, information &amp; Intelligence, and commissioning of Public Health services – Currently employed by T&amp;W PCT and will transfer to T&amp;W Council</p> <p>Salary costs and other related support expenditure</p>	<p>£1,170k</p>	<p>DPH = M Health Protection = M Healthcare advice = M</p>
<b>Public Health commissioned services</b>	<p><b>Nutrition, Obesity &amp; Physical Activity:</b> A wide range of lifestyle risk management services across all ages, targeting alcohol prevention, emotional health &amp; wellbeing, weight management, nutrition, physical activity, healthy eating and breastfeeding.</p> <p>Includes:</p> <p>National Child Measurement Programme (NCMP – provided via School Nursing Service see “Children 5-19” below), weight and life style management, healthy eating &amp; physical activity interventions, walking &amp; cycling schemes and breastfeeding support provided by the SCT NHS Trust <b>(634k)</b></p> <p>“Lets get moving”, physical activity interventions and “Five a day” scheme provided or supported by the Council <b>(179k)</b></p>	<p>£812k</p>	<p>NCMP = M All remainder other than Breastfeeding = P Most = OF</p>
	<p><b>Smoking Cessation:</b> Primarily service to help people stop smoking through one to one and group behavioural support and pharmacotherapy provided by:</p> <p>Shropshire Community Trust (contract currently out to re-tender) including interventions to quit and stop smoking in pregnancy <b>(£700k)</b></p> <p>SATH – interventions to quit for in/out patients <b>(£38.6k)</b></p> <p>Malling Health <b>(£30k)</b></p> <p>Solution 4 Health <b>(£50k)</b></p> <p>Website support and advertising <b>(£8k)</b></p>	<p>£827k</p>	<p>NM P OF</p>

	<p><b>Children 5-19:</b>  School nursing (<b>£398k</b>) including Human Papilloma Virus (HPV has been linked cervical cancer) vaccination for girls in secondary schools (£26k). HPV vaccines (<b>30k</b>) National Child Measurement programme (<b>£6k</b>) and health promotion and interventions (<b>£148.5k</b>) provided by SCT.</p>	<b>£583k</b>	NCMP component = M School Nursing – P Health promotion interventions - NM
	<p><b>NHS Health check programme:</b>  A targeted approach to all adults aged 40-75 years who are not already known to have diagnosis of heart disease, stroke, kidney disease or type 2 diabetes on a 5-year rolling programme basis (invite 20% of relevant population per year and achieve 50% uptake). Provided primarily through GP practices by GPs (<b>£84k – though £100k required for 2013/14</b>) and <b>Healthcare Assistants (£236k though current value £201k)</b></p> <p>But also spends in respect of:</p> <p>Lloyds Pharmacies (<b>£48k</b>)  Health Intelligence (<b>£38k</b>)  Graphnet (<b>£26.9k</b>)  Telehealth (<b>£850</b>)  Alere UK (<b>£71.6k</b>)</p>	<b>£506k</b>	M
	<p><b>Misc Health Improvement &amp; Wellbeing:</b></p> <p><b>Public Mental Health:</b>  Mind (<b>£30k</b>)  My Time (<b>£10k</b>)  SCT (<b>£120.7k</b>)  Suicide &amp; Harm Prevention – SSSFT (<b>£40k</b>)</p> <p><b>Variety of general Health Promotion activities &amp; Health Trainers:</b>  SCT (<b>£762.6</b>)  T&amp;W Council (<b>£73k</b>) Healthy warmth (£25k) and Health Trainers (£47k)  Birmingham PCT – Health Trainer performance monitoring (<b>£4.8k</b>)  <b>Less CCG responsibilities £56k</b></p>	<b>£985k</b>	NM



<b>Sexual Health Commissioned Services</b>	<p>Community Contraception and Sexual Health Services (including Genito-Urinary Medicine (GUM) and Sexually Transmitted Infection (STI) clinics, sexual/psycho sexual counselling and targeted outreach to vulnerable groups), Chlamydia Patient Tests results service and HIV Prevention &amp; Support Service</p> <p>The main provider is currently Shropshire Community NHS Trust (though this service is currently out to tender because of quality concerns) - <b>£986k</b></p> <p>Supported by:  Enhanced Services provided by GP Practices - <b>£200k</b>  Pharmacies - <b>£27k</b>  Shropshire PCT - <b>£16k</b>  Terrence Higgins Trust (HIV service) - <b>£71k</b>  Gum Out of Area payments - <b>£35k</b></p>	<p>£1,335k</p>	<p>M T</p>
<b>Total Budget/Spend</b>		<p>£9,129k</p>	

#### 4. Public Health Service Providers

4.1 From this table you will see that the majority of the contracted spend is with a small number of local NHS/health providers or the Council. Smaller voluntary sector and/or social enterprises receive £703k in total. Spend by provider is summarised below:

Provider	Spend £m
Shropshire Community NHS Trust	4.10
SATH NHS Trust	0.46
SSS NHS Foundation Trust	0.04
GP Practices	0.61
Pharmacies	0.37
T&W Council	1.26
Voluntary Organisations – Social Enterprises	0.70
Other	0.36
<b>TOTAL</b>	<b>7.90</b>
Public Health unit	1.20
Total Budget	9.10

4.2 Historically public health related contracts with NHS providers have been part of the wider contracts the PCT held with these providers in itself adding complication to “disaggregation”

4.3 However every contract that has been let has been on the basis that they end at 31 March 2013. Therefore though a contract transfer scheme has been put in place as part of the national transition arrangements, legally there are no contracts which will automatically transfer to the Council though we are sure there is an expectation that they will.

4.4 As part of the national arrangements there is scope for the Council to approach the PCT Cluster team (now being overseen by the Local Area Team director as part of the emerging NHS Commissioning Board) to seek their agreement to extend specific contracts beyond the 31 March 2013 thereby allowing them to be novated to the Council.

4.5 Officers have indicated to the LAT Director that we are likely to want to use this route, though not for all contracts and probably not at the full value. All providers have received an initial letter jointly signed by the local Director of Adult & Community Services and Director of Public Health informing them that there is no guarantee of their existing PCT contracts being taken over by the Council.

4.6 We now urgently need to move on and make firm decisions about all of the contracts against the background of the grant being less than the current spend and an understanding that Public Health will find a share of the additional savings facing the whole Council. The sooner we do this the better as some contracts may have clauses requiring up to 6 months notice to be given, particularly relating to staff related costs. However until now we have not been in a position to make these decisions without fully understanding the services we are inheriting and though still without definite information about the ring fenced grant to be received we need to move forward with our planning and consultation.

4.7 Budget and savings options are set out below.

## 5. Budget options

5.1 Council Officers with Public Health, Sexual Health and Drugs & Alcohol NHS Commissioners have been looking how the spend on public health services can be reduced to:

(a) bring spend down to the ring fenced grant total – required reduction of £0.9m (assuming grant will be £8.2m) and in addition

(b) make a further contribution of £1.2m towards the overall Council savings strategy target - with a view to substituting existing council funded services that are public health related and deemed to be a higher priority, therefore allowing the full ring fenced grant still to be claimed.

5.2 As a result of this work savings proposal has been put together which if accepted would reduce spend on current activity by £2.1m in 2013/14 to enable protection of key front line universal services that make a major contribution to the health and well being of our local community. (£2.7m in a full year 2014/15) as summarised below.

If implemented then these proposals would eliminate the potential shortfall in grant funding and contribute £1.2m towards overall budget strategy savings in 2013/14 rising to £1.8m in 2014/15. This would then leave a further £0.7m ongoing savings to be determined during 2013/14 for the 2014/15 strategy though this will vary depending on the actual 13/14 and 14/15 PH grant allocations when these are known. Robust consultation and impact assessments will now be required.

<b>Area of Activity</b>	<b>2013/14 Savings (£000)</b>	<b>2014/15 Saving (full year effect) (£000)</b>
Public Health staff (mandated)	0	0
Nutrition, Obesity & Physical Activity	344	459
Smoking cessation (includes 50% reduction in available "quit" sessions)	450	450

Children 5-19	111	188
NHS Health Check Programme (mandated)	49	49
Misc Health Improvement & Wellbeing	354	471
Drugs & Alcohol Support (treatment)	487	720
Sexual Health (mandated/treatment)	323	373
<b>TOTAL</b>	<b>2,118</b>	<b>2,710</b>

5.3 A more detailed analysis of these proposals by area, provider and associated risks is set out below.

<b>Service Area</b>	<b>Savings Proposals</b>	<b>Risks</b>	<b>£ Impact (Saving)</b>
<b>Nutrition, Obesity &amp; Physical Activity:</b>	1. Specialist weight management activities– (SCT <b>£39.5k</b> ) 2. Weight management – (SCT <b>£105k/+35k</b> ) 3. Physical activity brief interventions – (SCT <b>£76k/+25k</b> ) 4. Walking & Cycling – (SCT <b>£20k/+7k</b> ) 5. Community Food – (SCT <b>£34k/11k</b> ) 6. Breastfeeding – (SCT <b>£79k/+26k</b> )	Will be a reduction in general health promotion initiatives but we will look to mitigate through directing current Council services and capacity	<b>£353k – 13/14</b> <b>£458k – 14/15</b>
<b>Smoking Cessation:</b>	1. Promotion work ( <b>£8k</b> ) 2. Saving built into to Integrated Service tender ( <b>£105k including - £30k Mailing Health &amp; £50k Solution for Health</b> ) 3. 50% reduction on core contract activity currently being tendered- then to be reviewed during the year in terms of area wide impact on smoking levels ( <b>£337k</b> )	1. Can be provided through Council's own specialist resources.  2. Reliant on procurement process but is achievable with little risk  3. Failure to reach targets. Some increased risk to health of population.	<b>£450k – 13/14</b> <b>£450k – 14/15</b>
<b>Children 5-19:</b>	1. Health Promotion & Prevention for young people – (SCT <b>£111k/+40k</b> ) 2. School Nursing Service – 10% reduction in overall cost by 2014/15 through contract re-negotiation/workforce review	1. Reduced program for children and young people, including targeted groups. Mitigate through role of School Nurse/other Council services. 2. Minimal impact if it can be delivered through efficiencies	<b>£111k – 13/14</b>

			<b>£188k – 14/15</b>
<b>NHS Health check programme:</b>	<ol style="list-style-type: none"> <li>1. Pharmacy Project with Lloyds ( <b>£48k</b>)</li> <li>2. Telehealth – cardiopod (<b>&lt;£1k</b>)</li> </ol>	No significant impact.	<b>£48.8k</b>
<b>Misc Health Improvement &amp; Wellbeing:</b>	<ol style="list-style-type: none"> <li>1. Mental Wellbeing – (SCT <b>£46k/+15k</b>)</li> <li>2. General Health Promotion – (SCT <b>£259k/+86k</b>)</li> <li>3 Workplace &amp; mens’ health – (SCT <b>£49k/+16k</b>)</li> </ol>	Will be a reduction in general health promotion initiatives but use of existing Council resources to mitigate impacts	<b>£354k – 13/14</b> <b>£471k – 14/15</b>
<b>Tier 1, 2, 3 &amp; 4 Drugs and Alcohol support and treatment services</b>	<ol style="list-style-type: none"> <li>1. Various lower level activities/initiatives ( <b>£147k-day visit rehab services</b>)</li> <li>2. After care &amp; TACT (<b>£15k</b>)</li> <li>3. Tier 1 Alcohol Prevention – (SCT <b>£35k</b>)</li> <li>4. NACRO &amp; IMPACT contract reductions ( <b>£65k</b>)</li> <li>5. DARS Treatment Service- efficiencies available to deliver current level of service with deletion of unfilled posts (<b>£225k in 2013/14, Further £200k in 2014/15 following full service review</b>)</li> </ol>	<p>No significant Treatment risks. All service users will continue to have a service. Small risk of not meeting recovery KPI</p> <p>Risks will increase in 14/15</p>	<b>£487k – 13/14</b> <b>£720 – 14/15</b>
<b>Sexual Health Commissioned Services</b>	<ol style="list-style-type: none"> <li>1. GP Lead for Sexual Health (- <b>£23k</b>)</li> <li>2. Sexual Health Tender – Contract savings and improved services (<b>£215k + additional savings to be discussed £50k rising to £100k in 2014/15</b>)</li> <li>3. GUM out of area (<b>35k</b>)</li> </ol>	No significant risks in respect of most. However a little more work is required to understand whether additional £100k saving on contract can be achieved through efficiencies alone	<b>£323k – 13/14</b> <b>£373k – 14/15</b>
<b>TOTAL Saving</b>			<b>£2.118m 13/14</b> <b>£2.710m 14/15</b>