

**TELFORD & WREKIN HEALTH AND WELLBEING BOARD 23<sup>RD</sup> JANUARY 2013****PUBLIC HEATH TRANSITION:UPDATE REPORT****REPORT OF THE DIRECTOR OF ADULT & COMMUNITY SERVICES AND THE DIRECTOR OF PUBLIC HEALTH****1.Summary**

As part of the NHS reforms, responsibility for key elements of the PCT's Public Health function transfer to Councils from 1<sup>st</sup> April, though they will receive less than half the funding available for Public Health spending nationally. Other elements will transfer to Public Health England (PHE) and the National Commissioning Board and once we move into running the new arrangements post 1<sup>st</sup> April, how the relationships and responsibilities between the 3 elements will actually work at an operational level should hopefully become clearer. Maximising the benefits of this change are intrinsic to the delivery of another new responsibility for the Council-taking leadership on Health & Wellbeing through the Health & Wellbeing Board. The Council and PCT Public Health staff have been working on the transfer arrangements for some months now though late delivery of key pieces of financial information –particularly the grant allocation-have hampered progress. There is still much to do but a successful transition should be achieved by April. Work stream updates are as follows:

**2. Finance & Resources**

2.1 A clearer view of the PCT's spend on the range of Public Health responsibilities coming to the Council was achieved in December and the delayed grant allocations were finally released on 10<sup>th</sup> January. At £10.6m for 2013/14 and £10.9m for 2014/15 the announced grant levels were above the projections used in formulating the overall budget strategy. While this area's allocations are still well above PHE target levels and will be brought closer to target every year, this has still generated a minimum increase from current budget levels rather than the reduction anticipated.

Following that late announcement of Public Health grants for the next 2 years, the savings proposals for Public Health have thus been revisited. Discussions with the Director of Public Health on the original proposals highlighted areas of concern underpinned by the evidence of local need and inequalities from the JSNA, relevance to the agreed Health and Wellbeing priorities and some local poor performance indicators in the recently published Public Health Outcomes Framework (PHOF) which the Council will be monitored against from April 2013. In summary this review resulted in a reduction in the proposed savings to protect investment in the following areas:

- Smoking cessation services, given high smoking-related mortality rates and early death rates from cardiovascular disease and cancer, which are key local

causes of reduced life expectancy and related inequalities (relevant to numerous national Public Health indicators PHOF)

- Adult weight management programmes given the scale of the obesity challenge and impact on chronic disease (obesity prevalence will be tracked through the national Public Health indicators PHOF)
- Breastfeeding programme in light of marked inequalities and significantly poor breastfeeding rates (breastfeeding will also be monitored through the PHOF)
- Alcohol misuse services, specifically prevention programmes given the high mortality rates from preventable liver disease (a new liver disease indicator has been included in the PHOF)

## 2.2 Budget Summary

The overall proposals are outlined below :

	2013/14 (£000)	2014/15 (£000)
Current Spending commitments	9.0	9.0
Additional responsibilities not in current spend including Infection Control and PH Emergency Planning	0.2	0.2
Support services- PR/Engagement/legal/finance/CSU for Public Health and Health & Wellbeing(no ongoing capacity yet created to support new H&W role/Board)	0.2	0.2
Contingency	0.1	0.2
Investment Priorities to be developed (year1 Flex card)	0.1	0.8
Funding allocated to protect existing Council services delivering the wider determinants of Public Health	2.5	2.5
Savings (see below)	(1.5)	(2.0)
Grant allocation	10.6	10.9

## 2.3 Savings

The reduced savings proposals now put forward can be summarised as follows:

Area of Activity	2013/14 Savings (£000)	2014/15 Saving (full year effect) (£000)
Public Health staff (mandated)	0	0
Nutrition, Obesity & Physical Activity	186	239
Smoking cessation	113	113
Children 5-19	111	188
NHS Health Check Programme (mandated)	49	49
Misc Health Improvement & Wellbeing	354	471
Drugs & Alcohol Support (treatment)	347	547
Sexual Health (mandated/treatment)	323	373
<b>TOTAL</b>	<b>1,483</b>	<b>1,980</b>

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

Service Area	Savings Proposals	Risks	Saving £000
Nutrition, Obesity & Physical Activity:	1. Specialist weight management activities– (SCT £30k +yr2 £10k) 2. Physical activity brief interventions – (SCT £76k+yr2 £25k) 4. Walking & Cycling – (SCT £20k+yr2 £7k) 5. Community Food – (SCT	Will be a reduction in general health promotion initiatives but we will look to mitigate through directing current Council services and capacity	

	£34k + yr2 £11k) 6. Breastfeeding – (SCT £26k)		£186k – 13/14 £239k – 14/15
Smoking Cessation:	1. Promotion work ( £8k) 2. Saving built into Integrated Service tender (£105k)	1. Can be provided through Council's own specialist resources.  2. Reliant on procurement process but is achievable with little risk  .	£113k – 13/14 £113k – 14/15
Children 5-19:	1. Health Promotion & Prevention for young people – (SCT £111k+yr2 £37k) 2. School Nursing Service – 10% reduction in overall cost by 2014/15 through contract re-negotiation/workforce review (SCT yr2 £40k)	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	£111k – 13/14 £188k – 14/15
NHS Health check programme:	1. Pharmacy Project with Lloyds ( £48k) 2. Telehealth – cardiopod (<£1k)	No significant impact.	£49k
Misc Health Improvement & Wellbeing:	1.Mental Wellbeing – (SCT £46k+yr2 £15k) 2. General Health Promotion – (SCT £259k+yr2 £86k) 3 Workplace & men's' health – (SCT £49k+yr2 £16k)	Will be a reduction in general health promotion initiatives but use of existing Council resources to mitigate impacts	£354k – 13/14 £471k – 14/15

Tier 1, 2, 3 & 4 Drugs and Alcohol support and treatment services	<p>1. Various lower level activities/initiatives ( £147k-day visit rehab services)</p> <p>2. DARS Treatment Service- efficiencies available to deliver current level of service with deletion of unfilled posts (£200k in 2013/14, Further £200k in 2014/15 following full service review)</p>	<p>No significant Treatment risks. All service users will continue to have a service.</p> <p>Small risk of not meeting recovery KPI</p> <p>Risks will require closer monitoring in 14/15</p>	<p>£347k – 13/14</p> <p>£547k – 14/15</p>
Sexual Health Commissioned Services	<p>1. GP Lead for Sexual Health (- £23k)</p> <p>2. Sexual Health Tender – Contract savings and improved services (£215k + additional savings to be discussed with new contractor £50k )</p> <p>3. Review of LES arrangements for 14/15 (£50k)</p> <p>3. GUM out of area (35k)</p>	No significant risks.	<p>£323k – 13/14</p> <p>£373k – 14/15</p>
TOTAL Saving			<p>£1.483m 13/14</p> <p>£1.980m 14/15</p>

### 3.Contracts

Given uncertainties around the financial position and level of services commissioned this has been the most complex area to deal with. As previously reported there is currently (before savings) around £7.9m spent on contracted services broken down as follows by area of activity:

<b>Area of Activity</b>	<b>Estimated 2012/13 Spend (£000)</b>
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>7.9m</b>

Activity by Provider:

<b>Provider</b>	<b>Estimated Spend £000</b>
Shropshire Community NHS Trust	4,100
SATH NHS Trust	460
SSS NHS Foundation Trust	40
GP Practices	610
Pharmacies	370
T&W Council	1,260
Voluntary Organisations – Social Enterprises	700
Other	360
<b>TOTAL</b>	<b>7.9m</b>

As all contracts (other than Sexual Health and Smoking Cessation which have been retendered) come to an end on 31 March 2013, then as part of the national wind up process for PCTs we need to put forward onto the PCT transfer schedules which contracts we want extending, for what value and length of time. This will allow them to be transferred to the Council. It is intended to ask for extensions of no longer than 12 months on the basis that we will want to review every contract within this first year, consider synergies with existing Council services and where appropriate enter a new procurement process

Providers have already received a general letter jointly signed on behalf of the Council and PCT by the Director of Adult & Community Services and Director of Public Health. However more specific letters need to be sent as soon as possible and meetings arranged by provider to confirm our intentions, start the decommissioning process where necessary and the phased review of all transferring contracts.

#### **4 Workforce, HR & Accommodation**

Our respective HR officers have worked together to ensure that all information about transferring staff is up to date and available to the Council. Andy Griffiths (Council's HR) has had regular meetings with staff in the Public Health unit to keep them up to date and answer any questions

Within the unit there are a number of vacant posts, but on transfer the staff will initially stay together as a PH unit based at Halesfield (existing base) or in Joint Commissioning as now, with facilities to hot desk with other social care commissioners at Darby House. The structure and location of the PH team will be reviewed subsequently once senior management arrangements are in place, working arrangements settle down and accommodation management and charging arrangements for Halesfield are clarified. Senior Managers responsible for the Public Health unit will be based at Addenbrooke House alongside the rest of the senior management team. The proposed senior management structure will be announced shortly.

ICT requirements have been established and work is under way to ensure access as required to both Council and NHS systems.

#### **5. Governance, Information Systems & Assurance:**

There is still work to clarify the arrangements for information access ,particularly how this fits with the role of the new Commissioning Support Unit, with which there has been no contact so far...a similar concern exists around social care joint commissioning. Similarly there are areas of Council responsibility not undertaken by the current PCT Public Health team such as emergency planning and late changes such as responsibilities around infection control where we still need to clarify the exact Council role and resource requirements-hence the need for some resource contingency in the budget. There will also be a need to review PH support requirements within the Council and capacity given staff cuts over the last 2 years and the assimilation of Health & Wellbeing responsibilities with no additional capacity so far-not a sustainable position.

There is also work to do in finalising a Memorandum of Understanding with the Clinical Commissioning Group for mandatory provision of a service from the Council's PH unit and a reciprocal support on clinical governance expertise.

## **6. Communication and Engagement:**

The Council's PR and Engagement units are now involved but as in other areas capacity is currently an issue. Attached is a statement to outline our approach to our new Public Health responsibilities which we will use as part of our communications.

## **7 Formal Transfer**

A Paper will be prepared for 28<sup>th</sup> March Cabinet to approve the transfer of staff, contracts etc. by acknowledging the sign off of the formal Transfer Scheme by "appropriate officers" –Managing Director, Chief Finance Officer, Monitoring Officer

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