

REPORT OF THE DIRECTOR OF PUBLIC HEALTH**PUBLIC HEALTH OUTCOMES PROGRAMME – PLANS AND PROGRESS****Purpose of the Report**

1. This report provides an overview of the Public Health Outcomes programme within the Council's Redefining your Council transformation strategy. It describes the current position and outlines plans to take forward the work over the next three to six months.

Information and Advice

2. In 2013, the Public Health department was tasked with identifying £12 million efficiency savings over 3 years, which equates to 30% of the total Public Health grant. During 2014/15, the department has successfully achieved £5 million efficiencies for realignment in other areas of Council activity delivering Public Health outcomes.

Identifying Public Health Efficiencies for 2015/16 and 2016/17

3. During the year, work has continued so that a further £7 million savings can be identified in the Public Health grant, whilst maintaining delivery of Public Health outcomes overall. A zero-based budgeting approach was undertaken on all areas of Public Health expenditure. The work to date has identified that this level of efficiencies will cause a significant risk to maintaining Public Health outcomes. As the Public Health efficiencies underpin the Council's medium term financial strategy, this risk is being discussed with the Transformation Board.
4. In response to concerns raised last year, a CCG engagement group has been established to allow early discussion with NHS partners on proposed service changes. The group is helping improve relationships with partners by allowing an open and honest dialogue to take place on the impact of proposals before any decisions are made. The group has expressed concern over the detrimental impact on health and social services by significant disinvestment in traditional Public Health services. As a result, the department is reviewing proposals to identify a realistic plan, which will minimise the risk for the health and social care community.
5. Alongside the engagement work, the lessons learnt from the recent re-commissioning exercises are being fed into future procurement plans for the department. The complexity of service re-commissioning has highlighted the need for staff capacity and adequate time for effective engagement with providers and associated commissioners. It has also emphasised that market readiness and development is an important stage in any successful recommissioning exercise.

Public Health Pressures and Grant Realignment

6. The Public Health grant is currently ring fenced and national guidance dictates that it is spent on activities whose main or primary purpose is to improve the health and wellbeing of local populations (including restoring or protecting their health where appropriate) and reducing health inequalities. Furthermore investment in Public Health prevention helps reduce the demand on health and social care services in the future.
7. There are many Council services that deliver Public Health outcomes. A realignment exercise undertaken for 2014/15 enabled the £5 million efficiencies to be re-invested in alternative services that continue to deliver Public Health Outcomes.
8. To build on the approach undertaken for 2014/15, Public Health is leading a new exercise that allows a comprehensive assessment of all Council services. This will allow the Council to have a full understanding on where the Public Health grant would be best utilised and where opportunities for further integration can assist future efficiencies. One area of commonality is around community development. There is a range of services across the Council that work to assist community resilience and build resources. This is an important Public Health outcome as it provides the opportunity to help communities to support themselves and prevent future health and social care problems.
9. The realignment project is taking place in conjunction with nominated leads across the Council. This is a complex task as it involves assessing each Council service against Public Health outcomes. The Public Health Department has asked the Transformation Board for more time to be able to engage the right people to complete the task accurately.
10. Following Departmental budget setting, some new areas have come to light that add financial pressure on budgets. The follow up retender of weight management services due to withdrawal of the successful bidder has the potential to add a further pressure on the Public Health grant.
11. In addition, a recent budget exercise between CCGs and Public Health was carried out to identify anomalies in the original Public Health grant calculation. This review concluded that after taking all elements of the budgets into account, a transfer of £1,085,330 is required from the Public Health grant to CCGs to cover the budget setting anomalies for 2014/15. This item is due to be considered by the Finance & Property Committee on 15th September 2014.
12. These additional pressures are likely to impact on the level of savings available for realignment within the Council.

Summary of Actions

13. The Public Health department plans to take forward the following actions to ensure that efficiency savings are maximised, whilst maintaining delivery of Public Health Outcomes:
 - a. Review all Public Health commissioned services, using market testing and development to identify achievable service efficiencies that minimise the impact on the health and social care community.
 - b. Use the findings of the review to formulate firm budget proposals by January 2015 for implementation from April 2016. Present these plans to the Transformation Board confirm & challenge to achieve political and organisational approval.

- c. Engage providers and commissioners in the re-commissioning process to improve awareness of potential changes, through the CCG engagement group and joint NHS-Council communications with providers as required.
 - d. Undertake specific consultations for any significant change to services.
 - e. Work with the Corporate Director of Children, Families & Cultural Services, the Deputy Director of Adult Social Care, Health & Public Protection and staff from all departments to explore opportunities for realignment of the Public Health efficiencies.
14. In summary, since the original efficiency target for Public Health was proposed, the Council has a more detailed understanding of the complexity of Public Health services and budgets, and the interdependencies with local NHS partners. This has led the Council to re-consider the level of savings that can be achieved and the timeframe for delivery, to maintain delivery of Public Health outcomes overall.
15. A further report will be presented to the Public Health Committee in March 2015 to outline Public Health efficiencies proposals and potential areas for realignment.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

17. All financial implications related to service review and re-commissioning will be considered as part of the review and procurement process. These will be described in detail in specific reports to the Public Health Committee once identified.

Implications for Service Users

18. Implications for service users of Public Health services will be considered as part of the review of and re-commissioning process, and included in consultation on significant service changes where required.

RECOMMENDATION/S

- 1) The Public Health Committee is asked to note the progress on the Public Health Outcomes Programme and endorse the plan of action to identify further efficiencies by January 2015 for implementation during 2016/17.

Dr Chris Kenny
Director of Public Health

For any enquiries about this report please contact: Cathy Quinn, Associate Director of Public Health

Constitutional Comments

19. As the report is for noting only, no constitutional comments are required.

Financial Comments

20. As the report is for noting only, no financial comments are required.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'Public Health budget changes and realignment of the Public Health grant'. Report to the Public Health Committee 6 March 2014.

Electoral Division(s) and Member(s) Affected

- All