

REPORT OF THE DEPUTY LEADER OF NOTTINGHAMSHIRE COUNTY COUNCIL**TRANSFER OF PUBLIC HEALTH ASSETS & LIABILITIES FROM NOTTINGHAMSHIRE COUNTY AND BASSETLAW PRIMARY CARE TRUSTS TO NOTTINGHAMSHIRE COUNTY COUNCIL****Purpose of the Report**

1. The purpose of the report is to seek approval on behalf of the County Council to transfer the function of Public Health from Nottinghamshire County and Bassetlaw Primary Care Trusts (PCTs) to Nottinghamshire County Council by 1 April 2013. It describes the transfer scheme, which is the legal framework to transfer the assets and liabilities between organisations.

Information and Advice

2. The Health & Social Care Act 2012 directs the NHS to dissolve Primary Care Trusts and transfer the residual functions to a range of successor organisations.
3. Public Health is currently the responsibility of NHS Primary Care Trusts. Within Nottinghamshire, the larger Public Health function is held within Nottinghamshire County PCT, and a small team is also employed by Bassetlaw PCT. From April 2013, Public Health becomes a statutory function of the County Council, and the two teams will merge to form the new Public Health department within the Council.
4. There are 59 members of the Public Health department transferring to Nottinghamshire County Council. A formal staff consultation commenced on 17 January 2013 to lead the human resource discussions. In the main, staff terms and conditions are being nationally negotiated as part of the transfer scheme, e.g. pay and pensions. These apply TUPE principles and will be consistent across the country at the time of transfer.
5. The ring fenced Public Health Grant for 2013/14 and 2014/15 was announced on the 10 January 2013. This awarded the Council £35.1M for 2013/14 and £36.1M for 2014/15 for Public Health services. Public Health services are provided by a number of commissioned services from a range of NHS, private and third sector providers. In order to reduce the risk of disruption in essential services during the Public Health transfer from the NHS to Local Government,

a general principle is being followed to maintain business as usual within 2013/14 for all PH contracts. **Appendix One** details the PH financial plan for 2013/14. This was approved by the PH Subcommittee on 11 February 2013. Further reports are due to be considered in April to gain approval for any new developments.

6. The preparation for transfer has involved review of all contracts, and assets and risks associated with the Public Health function, by specialist staff in the Council. This has included specific legal, finance and procurement advice, including review of the Councils insurance cover. Due diligence has taken place to review all contractual information, including financial agreements, provider details, service specification and contract periods.
7. During 2013/14, all PH contracts will be reviewed further, performance will be assessed and a procurement plan developed. Proposals will be presented to the Health & Wellbeing Board for consideration and Public Health Subcommittee for approval during the year. Opportunities to align contracts with existing County Council contracts will be explored to help avoid duplication and build a coherent approach.
8. A detailed transition plan has been followed to make sure that all aspects of the Public Health function are transferred safely and securely before 1 April 2013. This process has been overseen through the improvement programme public health project delivery group.
9. Executive oversight has been maintained within the County Council through sponsorship by the Corporate Director of Adult Social Care, Health & Public Protection. Regular detailed reports have been presented to the Corporate Leadership Team between October 2011 and February 2013 to provide updates on progress and risks.
10. The national legal framework, or Transfer Scheme, makes sure that all Primary Care Trust Functions are legally transferred to successor organisations. As there are two PCTs that fall within the County Council boundaries, the Council is required to approve both transfer schemes.
11. The main elements of the transfer schemes relevant for PH include:
 - **Contracts and financial agreements** – This section includes information on all contracts relating to Public Health services. Each contract has been discussed by Council procurement, finance and legal teams to make sure risks and issues have been addressed.
 - **Finance** – including securing access to ledgers and budget reports. Financial review of all contracts, assets and liabilities has also taken place in preparation for the transfer and any risk is covered by the Public Health grant.
 - **Licences** - this includes a number of IT licences to ensure access to data and IT systems to undertake PH work, for example access to analysis software and statistical packages. NB: work is also being carried out to align licences

with existing licences held within the Council where possible. No IT licences are held by the Bassetlaw PH team.

- **IT hardware** - including desk top computers, laptops, ipads, and mobile phones. All assets and liabilities have been built into the Council project plan to deliver IT access for Public Health after 1 April 2013. The IT department have a project plan to reconfigure suitable IT hardware for use after April that meets the Council specification under ways of working.
- **Data** – including PH information, staff records and patient identifiable information for the purposes of infection prevention and control. All information governance actions (including data sharing agreements,) are being completed to make sure the transfer and storage meets the required standards.
- **Human Resources** – including staff employment details and personnel records. HR colleagues have verified all staff details are correct and accurately added to the BMS system in advance of the transfer date to allow staff to be paid as usual in April.
There is ongoing consultation with trade unions and staff around defining the local agreements, such as flexible working and long service awards.

12. Risks associated with the transition are documented and addressed through the project delivery group. However two finance risks of note are:

- Financial liability associated with premises occupied by community services. As a result of historical recharging for NHS property, Public Health will inherit a liability for the overheads for selected community services that fall within the Public Health remit. This liability has been included in the Public Health grant, and therefore should be cost neutral.
- Financial liability associated with the service pressures. As a result of in year service pressures and the complexity in dividing services across NHS and Local Government organisations, there is a potential for unplanned financial pressures to emerge through 2013/14 for Public Health service contracts. These include increased prescribing costs, investment in services to address essential gaps in provision and rent increases. A risk reserve has been added to the financial plan to cover these eventualities.

13. The final transfer scheme will be drafted using the information from the PCTs and is expected to be available by Mid March for further comment. The transfer scheme will follow a national template for this legal document, but will include information that has been submitted from the respective PCTs.

Reason for Recommendation

14. To ensure the Council formally approves the transfer scheme that provides the legal framework to transfer the Public Health function and associated staff, assets and liabilities.

15. There is a requirement for PCTs to ensure that successor organisations approve the transfer scheme after the last PCT Board but before the end March. Given that the timing of the PCT Board meeting is being held on 26th March 2013, this will only allow two working days to gain Council approval.

RECOMMENDATION

- 1) That Policy Committee agrees to delegate authority to the Chief Executive in consultation with the Deputy Leader to approve the final transfer schemes on 27th or 28th March on behalf of Nottinghamshire County Council.

Councillor Martin Suthers

Deputy Leader of Nottinghamshire County Council

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Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Human Resources Implications

17. The transfer Scheme relating of Public Health will transfer employment for 59 members of staff to Nottinghamshire County Council.

Financial Implications

18. The Public Health grant for Nottinghamshire County Council from 1 April 2013 is £35.1million.

Constitutional Comments (26.02.13 NAB)

19. Policy Committee has authority to approve the recommendations set out in this report by virtue of its terms of reference.

Financial Comments (6.3.13 KS)

20. The financial implications are set out in paragraph 18 of the report.

Background papers

Briefing Paper: Closedown of NHS Nottingham City and Nottinghamshire County and the role of receiver organisations

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.

Electoral Division(s) and Member(s) Affected

All