



1. Service Area

Public Health

2. Option Title

Public Health Grant Realignment Changes

3. What we propose to do and how we propose to do it

The Public Health grant released £8m through a combination of staffing reductions, contract efficiencies, and some reductions in commissioned services during the period 2013-15. This resource was used to support other services of the Council which were identified as having potential to deliver Public Health outcomes, and so was considered to be a valid use of Public Health grant.

All of the budget lines benefitting from this realigned money have been reviewed and changes are proposed as set out in the tables below. The total maximum saving that could be delivered from these proposals is £1.65m. This proposal is still subject to further discussion with the relevant Departments.

Proposal 1 – 7.8% reduction

<i>Activities</i>	<i>Total Public Health Realignment</i>	<i>Proposed reduction</i>	<i>Reason/ Impact</i>
Handy Persons Adaptation Scheme	95,000	7,410	Proportionate 7.8% reduction Comparatively small
Older People Early intervention service	165,000	12,870	As above
Information Prescriptions	28,000	2,184	As above
Stroke	13,000	1,014	As above
Supporting people: Homelessness Support	1,000,000	78,000*	Reduction is 7.8% of realigned Public Health grant but could impact on service
Children's Centres	2,490,000	194,220*	Reduction is 7.8% of realigned Public Health grant but could impact on service
Family Nurse Partnership	100,000	7,800	Proportionate 7.8% reduction Comparatively small
Supported accommodation for young people	460,000	35,880	As above
Young Carers Children, Families and Cultural Services	100,000	7,800	As above

C Card Scheme	80,000	6,240	As above
<i>Sub-totals</i>	<i>4,531,000</i>	<i>353,418</i>	

Proposal 2 – removal of underspends.

<i>Activities</i>	<i>Total Public Health Realignment</i>	<i>Proposed reduction</i>	<i>Reason/ Impact</i>
Community Resources to Support People	200,000	150,000	Removal of underspend – no impact
Substance misuse	420,000	420,000	Removal of underspend – no impact
Young Carers Adult Social Care & Health	240,000	150,000	Removal of underspend – no impact anticipated
<i>Sub-total</i>	<i>860,000</i>	<i>720,000</i>	

Proposal 3 - reduce four realignment lines where there are concerns about whether the activities deliver Public Health outcomes.

<i>Activities</i>	<i>Total Public Health Realignment</i>	<i>Proposed reduction</i>	<i>Reason/ Impact</i>
Mental Health Coproduction service	206,000	67,716*	Uncertainty over delivery of Public Health outcomes. Would have service impact.
Moving Forward Service	800,000	270,866*	Uncertainty over delivery of Public Health outcomes. Would have service impact.
Youth Offending Team	380,000	190,000*	Uncertainty over delivery of Public Health outcomes. Would have service impact.
Substance misuse (young people)	48,000	48,000	Uncertainty over delivery of Public Health outcomes. Would have service impact.
<i>Sub-total</i>	<i>1,434,000</i>	<i>576,582</i>	

The proposals are still subject to detailed discussion with Departments who would be affected by these changes to the realigned funding.

For the reductions marked with * in the tables above, the amounts that are planned to be reduced in 2016/17 will be offset by contributions from reserves so that the reductions are from 2017/18. This is to enable the timescale for implementation to be deferred for one year.

4. Why this option is being put forward

Public Health transferred into the Council on 1 April 2013 along with associated financial resources in the form of £36m of ring-fenced Public Health grant. The grant was ring-fenced, and is only to be spent on activities which would deliver Public Health outcomes. The Public Health service supported the Council's budget reductions targets through the release of efficiencies from recommissioning services. The total level of savings delivered (£8m) was about 25% of Public Health grant.

The £8m released savings were used as follows:

- £1.1m of costs from other parts of the Council were absorbed into Public Health contracts (domestic violence services).
- £6.9m was realigned to other parts of the Council. The realignment was to a range of Council services assessed as having potential to deliver Public Health outcomes. The realignment was always identified as being subject to performance in delivery of Public Health outcomes, and also contingent on the level of Public Health grant remaining at the same level.

The Public Health budget of £36m has been reduced by £2.6m (or 6.2%) in 2015/16, as part of a national reduction to the grant of £200m. 5% of the Public Health grant has also had to be returned to the NHS Clinical Commissioning Groups (CCGs) as part of a rebasing adjustment. The majority of the Public Health grant is spent on services delivered through commissioning, where contracts have either been let, or budget envelopes have been set in response to market testing and analysis. It will be difficult to achieve further reductions on top of the 25% savings already identified and removed from these services, especially since so many contracts are let on a payment by results methodology.

Additional savings have already been identified in Public Health proposals related to contract efficiencies and a staffing restructure, leaving only realignment budget lines to explore for further savings.

5. What is the impact?

ON SERVICE USERS AND COMMUNITIES

Reductions in realignment lines would potentially impact directly on service users and communities, since the realignment lines are being used to pay for direct services. The scale of the impact varies by realignment line.

Proposal 1 - Most lines will have a proportionate 7.8% reduction, which is relatively small. The following activities would have this relatively small reduction:

Handy Persons Adaptation Service
Older People Early intervention service
Information Prescriptions
Stroke

Supporting people: Homelessness support
Children's Centres
Family Nurse Partnership
Supported accommodation for young people
Young Carers Children, Families and Cultural Services (CFCS)
C Card Scheme

Proposal 2 - For three realignment lines, it is proposed to remove significant underspends which have occurred over the last couple of years. Removal of underspend will not affect service users.

Community Resources to Support People – it is proposed to reduce this budget from £200,000 to £50,000. Staff have spent two years exploring options and piloting small scale approaches, but not yet identified a value for money approach and are currently in discussion with local CCGs who are also keen to pilot evidence based options. Planning is affected by a lack of evidence over initiatives which will address the issue and which will also lead to future cost savings. Mitigating actions: none proposed. The Joint Strategic Needs Assessment (JSNA) for loneliness will summarise the evidence and make recommendations on the way forward. The £50,000 proposed to remain for allocation against this line will enable some further development work to take place.

Substance misuse - £420,000 of activity originally delivered by Adult Social Care and Health (ASCH) Department has since been subsumed into the Public Health substance misuse contract and so is no longer required from realignment. No effect on service users

Young Carers ASCH – It is proposed to reduce the allocation by £150,000, as it has been underspent owing to the availability of personal budgets to meet requirements. No effect anticipated on service users.

Proposal 3 - there are four realignment lines where there are concerns about whether these activities deliver Public Health outcomes. It is proposed to reduce realignment funding to these lines. This has potential to have a major effect on the services concerned, depending on how significant the realignment element was as a proportion of the budget for the affected services, and whether there were alternative budgets that could be drawn on to meet the costs, for example use of personal budgets instead of Realignment funding. The activities affected are:

Mental Health CoProduction
Moving Forward Service
Youth Offending Team
Substance misuse (young people)

ON OTHER ORGANISATIONS / PARTNERS

Some of the identified realignment lines for reduction are used to deliver partnership services, support external providers, or third sector organisations. Reduction or removal of this funding would negatively impact on those partners, providers or organisations.

A positive impact of the proposal is that it would concentrate the realigned resources on areas which demonstrably deliver Public Health outcomes and hence fulfils the obligations of Public Health grant

ON OTHER PARTS OF THE COUNTY COUNCIL

Reductions in realignment lines will affect the identified parts of the Council. The reductions imply additional cost pressures, or they could potentially lead to redundancies.

COULD THERE BE A DISPROPORTIONATE IMPACT ON PEOPLE WITH PROTECTED CHARACTERISTICS? (Y/N) (*age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation*)

Y

Depends on the individual realignment lines, but some are used to pay for services for older people or for pregnant women, or women with children. If the impact of removing realignment was the cessation or reduction of services, there would be disproportionate impact.

DOES A FULL EQUALITY IMPACT ASSESSMENT ACCOMPANY THIS OPTION FOR CHANGE? (Y/N)

Y

6. Projected Net Savings to the Budget

WHAT IS THE PERMANENT BUDGET?

GROSS
£000

6,825

NET
£000

6,825

WHAT ARE THE PROJECTED NET SAVINGS TO THE BUDGET?

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Gross Saving	1,650	0	0	1,650
LESS Loss of Income	0	0	0	0
LESS Costs of Reprovision	0	0	0	0
NET SAVING	1,650	0	0	1,650

WHAT ARE THE NET SAVINGS AS A % OF NET BUDGET?

24.2%

7. Estimated Implementation Costs

WHAT ARE THE ESTIMATED IMPLEMENTATION COSTS?

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Capital Costs	0	0	0	0
Revenue Costs	0	0	0	0

8. Projected Permanent FTE Reductions

WHAT IS THE CURRENT PERMANENT FTE STAFFING?

0.0

	2016/17	2017/18	2018/19
WHAT ARE THE PROJECTED PERMANENT FTE REDUCTIONS?	0.0	0.0	0.0

0.0

9. Risks and mitigating actions

1. Withdrawal or reduction in services. Mitigating actions: explore with departments; consider use of Public Health reserves as temporary measure to cushion the impact, so that reductions can be tapered to allow time for further planning and resource reallocation.
2. Reputational risk. Mitigation: explore with departments; consider use of Public Health reserves as temporary measure to cushion the impact, so that reductions can be tapered to allow time for further planning and resource reallocation.

10. Chief Officer Signoff

I confirm that in my opinion the option is realistic and achievable, and that known costs of implementation are included	Signature	Date Signed
	David Pearson	Nov 2015