

PUBLIC HEALTH GRANT PROPOSED TARGET ALLOCATION FORMULA FOR 2016/17 – RESPONSE TO CONSULTATION

To: **HEALTH COMMITTEE**

Meeting Date: **5th November 2015**

From **Director of Public Health**

Electoral division(s): **All**

Forward Plan ref: **Not applicable**

Purpose: **To request the Committee's approval of the draft response from Cambridgeshire County Council to the national consultation on the Public Health Grant: proposed target allocation formula for 2016/17**

Recommendation: **The Health Committee is asked to:**

- 1) Approve the Cambridgeshire County Council response to the national consultation on the Public Health Grant: proposed target allocation formula for 2016/17**

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1. BACKGROUND

- 1.1 The Department of Health is carrying out a consultation exercise regarding the public health grant: proposed target allocation formula for 2016/17. The formula is used to calculate the 'target' public health grant allocation for each local authority nationally. This is usually different from the actual public health grant allocation to each local authority, and changes in grant allocations year on year are expected to move local authorities closer to their target funding level. The consultation closes on 6th November 2015.
- 1.2 The public health grant target allocation formula is developed by the national Advisory Committee on Resource Allocation (ACRA). The speed at which local authorities move toward their target funding (pace of change) and the total quantum of public health funding available for local authorities are decisions reserved for ministers – this consultation is only about the technical formula which generates the target funding for each local authority.

2. MAIN ISSUES

- 2.1 The consultation document is available at www.gov.uk/government/consultations/public-health-formula-for-local-authorities-from-april-2016
- 2.2 The proposed changes to the target allocation formula are:
- Using a greater number of grouping of standardised mortality rate to indicate population need – which is more sensitive to areas of extreme deprivation and high mortality.
 - Using an updated substance misuse formula component, which is more sensitive to need rather than service provision and success rates.
 - Using a new sexual health services formula component which recognises a wider range of factors affecting need for services
 - Introducing a new component for services for children under 5 years.
 - Moving towards using a 'modelled' standardised mortality rate, rather than the actual standardised mortality rate in an area. This would not be possible for the current update to the formula.
- 2.3 The consultation paper also assesses the effect of each aspect of the change in formula on the allocation to each local authority. The impact is largely neutral for Cambridgeshire, but the addition of the children's component of the formula results in Cambridgeshire receiving a slightly larger proportion of the grant than if the children's allocation was weighted according to the existing public health grant target model (which was developed when children's 0-5 services still sat with NHS England).
- 2.4 The proposed Cambridgeshire response to the consultation is attached as Annex A.

3. SIGNIFICANT IMPLICATIONS

3.1 Resource Implications

The target allocation formula for local authority public health grant will have a longer term impact on resource allocation to Cambridgeshire County Council.

3.2 Statutory, Risk and Legal Implications

There are no significant implications

3.3 Equality and Diversity Implications

There are no significant implications.

3.4 Engagement and Consultation Implications

This response has been developed jointly by public health and finance staff .

3.5 Localism and Local Member Involvement

There are no significant implications. .

3.6 Public Health Implications

The target allocation formula for local authority public health grant is likely to have longer term implications for resourcing of public health services in the County.

Source Documents	Location
Public health grant: proposed target allocation formula for 2016/17 – consultation document and background papers	www.gov.uk/government/consultations/public-health-formula-for-local-authorities-from-april-2016