

**OVERVIEW OF BUSINESS PLANNING PROPOSALS**

*To:* **Health Committee**

*Date:* **11 December 2014**

*From:* **Director of Public Health**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To update the Health Committee on the Business Planning Process and make associated recommendations**

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

- a) note the remaining milestones in the Business Planning Process**
- b) note further information from the Director of Public Health on falls prevention as a local public health issue**
- c) discuss and confirm recommendations on the use of public health funding for falls prevention in response to the request made at the GPC meeting on 2 December**

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## 1. OVERVIEW

- 1.1 The Council's Business Plan sets out how we will spend our money to achieve our vision and priorities for Cambridgeshire. Like all Councils across the country we are facing a major challenge. Our funding is reducing at a time when our costs continue to rise significantly due to inflationary and demographic pressures. This means that despite the way in which we have been able to stimulate local economic growth, and the improving national economy, the financial forecast for the Council continues to present huge challenges.
- 1.2 This report provides the latest position on the Council's Business Planning Process. This includes an update on the financial overview, proposals agreed by service committees, the consultation process, and the Strategic Framework.
- 1.3 The Committee is asked to note the remaining milestones in the Business Planning Process, which are:
- **GPC 6 January** – report on Local Government Finance Settlement, and any feedback from Service Committees in December
  - **GPC 27 January** – GPC recommends full draft Business Plan to Full Council (all sections)
  - **Full Council 17 February** – draft Business Plan debated by Council (there is a reserve Council date on 20 February)
- 1.4 The Medium Term Financial Strategy (MTFS) and the 2015-25 Capital Strategy have both previously been agreed by GPC, and so will not be reported to GPC again until 27 January.

## 2. FINANCIAL OVERVIEW

- 2.1 Across the full five years of the Business Plan savings of £121.6m are required to balance the budget, with £32.4m of these in relation to 2015-16. The following table shows the total amount of savings / increased income necessary for each of the next five years, split by service block.

Service Block	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
Children, Families and Adults	-25,238	-25,566	-19,288	-16,066	-7,173
Economy, Transport and Environment	-4,491	-5,339	-3,925	-2,882	-1,170
Public Health	-767	-141	-132	-759	-417
Corporate and Managed Services	-882	-1,402	-1,330	-318	-560
LGSS Operational	-1,043	-485	-1,037	-774	-390
<b>Total</b>	<b>-32,421</b>	<b>-32,933</b>	<b>-25,712</b>	<b>-20,799</b>	<b>-9,710</b>

- 2.2 In some cases services have opted to increase locally generated income instead of cutting expenditure. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.
- 2.3 Delivering the level of savings required to balance the budget becomes increasingly difficult each year. While Services have considered the gap across the full five year planning period when developing savings proposals, the focus has been on 2015-16 as it is a statutory requirement to present a balanced budget for the following year. The remaining unidentified savings are as follows:

Service Block	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
Children, Families and Adults	-	-13,752	-10,992	-15,666	-6,773
Children, Families and Adults (DSG funded)	-	-318	-361	-400	-400
Economy, Transport and Environment	-	-1,495	-917	-2,876	-1,170
Public Health	-	-140	-131	-758	-416
Corporate and Managed Services	-	-412	149	-47	-289
LGSS Operational	-	259	2	14	-390
<b>Total</b>	<b>-</b>	<b>-15,858</b>	<b>-12,250</b>	<b>-19,733</b>	<b>-9,438</b>

## CAPITAL PROGRAMME UPDATE

2.4 The draft Capital Programme was reviewed individually by Service Committees in September, following that it was subsequently reviewed in its entirety, along with the prioritisation of schemes, by General Purposes Committee in October. No changes were made as a result of these reviews; however Services continued to work on the programme to update it for the latest known position which was summarised as part of the Service Committee reports in November. Several further amendments have been made which include the following changes to borrowing:

- Increase in scope for Optimising the benefits of IT for Smarter Business Working scheme (+£1.3m);
- Increase in scope for Conditions, Suitability and Maintenance due to identification of current commitments (£1m);
- Reduction in scope for Sawston Primary according to revised requirements (-£2.3m; -£3.5m overall);
- Increase in cost for Renewable Energy Soham (+£1.7m) for replacement of parts in later years, plus rephasing back 1 year (+/- £10.0m)
- Reduction in cost for Trinity School (-£1m);
- Reduction in cost for North West Cambridge Primary scheme (-£0.2m);
- Reduction in cost for Millifield Primary (-£0.3m);
- Rephasing/change of funding for Isle of Ely Primary (+£0.5m);
- Rephasing Northstowe 1st Primary scheme (+/- £1.7m);
- Rephasing of Early Years schemes (+/- £0.4m);
- Rephasing of Making Assets Count Market Towns Project (March) (+/- £0.2m); and
- Rephasing of Closed Landfill Sites (+/- £0.1m).

2.5 As a result, revised borrowing levels included within the draft Capital Programme result in the following levels of revenue debt charges:

Financing Costs	2015-16 £'000	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
2014-15 agreed BP	39,227	43,577	44,382	44,870	-
2015-16 draft BP as per October committee cash limits	37,605	41,654	41,458	41,810	41,943
2015-16 draft BP as per current capital programme	36,443	41,154	42,535	42,601	42,744
<b>Change since October</b>	<b>-1,162</b>	<b>-500</b>	<b>1,077</b>	<b>791</b>	<b>801</b>

2.6 Despite the shortfall of £32m in Department for Education Basic Need funding as a result of the 2014-15 funding announcements, re-working, removing and rephasing schemes within the programme has actually managed to achieve a saving on the debt charges budget when compared to the 2014-15 Business Plan. Part of this saving has been

recycled through the cash limit allocation process to reduce Service savings targets and the remainder is currently being held as contingency against any unexpected changes in funding that may arise from the Local Government Finance Settlement in December and final Council Tax and Business Rates forecasts due from District Councils in January.

- 2.7 The Council is still awaiting funding announcements regarding various capital grants which are expected to be made during December, plus the ongoing nature of the capital programme inevitably means that circumstances are continual changing. Therefore Services will continue to make any necessary updates in the lead up to the January GPC meeting at which the Business Plan is considered.

### **3. PROPOSALS FOR USE OF THE PUBLIC HEALTH GRANT TO INVEST IN FALLS PREVENTION**

#### **General Purposes Committee discussion**

- 3.1 An informal proposal made at a General Purposes Committee (GPC) workshop requesting the Health Committee to consider investing in falls prevention to support the corporate priority of helping older people to maintain health and independence, was discussed at Health Committee on 20<sup>th</sup> November. The Director of Public health was requested to report back to Health Committee with further information. The proposal was referred to at the formal GPC meeting on 2<sup>nd</sup> December – which provided a further steer that the current investment of partner agencies in falls prevention should be recognised, and any business case should be developed working with the NHS and district level local health partnerships. A level of investment of £100k recurrent public health funding and £200k non-recurrent funding for two years was discussed, with the aim of evaluating the success of the programme in reducing demand on adult social care – and establishing recurrent funding if the programme was successful.

#### **Falls as a local public health issue**

- 3.2 Falls and fall-related injuries are a common and serious problem for older people. People aged 65 and over have the highest risk of falling, with 30% of people older than 65 and 50% of people older than 80 falling at least once a year. Admissions to hospital for falls are included in the national Public Health Outcomes Framework (PHOF) and the latest PHOF data for Cambridgeshire (2012/13) indicates that there were 2,291 admissions to hospital of people aged 65+ following a fall. Well over half these admissions were for people aged 80+. Admissions for falls were significantly higher than the national average amongst older people in Cambridge City, similar to the average in East Cambridgeshire, Fenland and South Cambridgeshire, and lower than average in Huntingdonshire. Admission of an older person to hospital following a fall is known from local work to be one of the commonest triggers for increased social care needs.
- 3.3 The evidence base on what works to prevent older people from falling is summarised in National Institute of Health and Clinical Excellence (NICE) guideline CG161 and in the . The recommendations include case finding by health professionals – i.e. health professionals should ask older people whether they fall, and refer people who report recurrent falls for a multi-factorial falls risk assessment. Multifactorial interventions which are well evidenced to prevent falling include a combination of:
- Strength and balance training (intensive programme)
  - Home assessment for falls hazards, and intervention to correct those hazards
  - Visual assessment
  - Review of medications, which may be increasing the risk of falls as a side effect

- 3.4 Cambridgeshire Community Services runs an NHS falls prevention service which includes multi-factorial assessments and intervention. This is commissioned by Cambridgeshire & Peterborough Clinical Commissioning Group (CCG). The service will be transferred to Uniting Care Partnership (UCP) on 1<sup>st</sup> April 2015, and prevention of recurrent falls is included in the outcomes framework for the CCG's outcomes based contract with UCP. District Councils may provide strength and balance training through exercise programmes for older people run through their leisure services, and may also fund home falls assessment and intervention services, although there is variation around the County. Local Health Partnerships in Huntingdonshire and Cambridge City have reviewed falls prevention as an issue for partnership action. In addition, falls prevention has been identified as a priority in the Cambridgeshire Better Care Fund submission. The involvement of a number of agencies makes the establishment of clear and agreed local 'pathways' for referral and evidence based intervention for older people at risk of falls a key priority.
- 3.5 As part of the cross-directorate work on shared priorities for public health outcomes, Public Health staff and Children Families and Adults (CFA) staff have been working together on promoting physical activity for older people, with a focus on emotional wellbeing and on falls prevention. Public health grant allocated to CFA in the 2015/16 business plan through the existing public health memorandum of understanding will be used to incentivise existing CFA staff and contractors to deliver against physical activity and falls prevention outcomes as a 'shared priority'. CFA have assumed a £300k saving on older people's social care in the 2015/16 business plan as a result of this 'shared priorities' work, due to fewer older people falling and therefore needing less social care. However, it is likely that additional investment will be needed to achieve the aim of robust multi-agency 'pathways' for falls prevention referral and intervention across the county, and to make this CFA saving deliverable.

### **Proposal for investment of public health funding in falls prevention**

- 3.6 It is therefore proposed in the first instance to allocate £100k of recurrent public health funding, and £200k per annum of non-recurrent public health funding for two years, into further development of multi-agency falls prevention in Cambridgeshire, working closely with CFA through the existing 'shared priorities' project group. Information gathering to prepare a detailed business case is currently being carried out, and discussions with both the local NHS and district councils are essential in order to maximise effective joint working and avoid duplication. The impact of the County Council funded elements of the falls prevention programme will be evaluated, with the intention of converting the non-recurrent funding into recurrent funding after two years if the programme proves successful in achieving social care savings. There may well be future opportunities to align budgets across agencies and commission services jointly.
- 3.7 In order to identify recurrent public health funding it has been necessary to identify a further £100k of savings in the 2015/16 Public Health business plan as follows. At the time of writing, work with the finance team on identifying savings is ongoing with £65k recurrent savings identified and confirmed, and a further £35k recurrent savings awaiting confirmation. A verbal update will be provided at the Health Committee meeting. Recurrent savings confirmed to date are:

**£20k** Public health analyst: double payment identified through finance work on cross directorate public health Memorandum of Understanding (MOU).

**£10k** Child and adolescent mental health – double payment identified through finance work on cross directorate public health MOU

**£20k** Dental public health: The 2015/16 Business Plan already proposes a reduction of in the dental public health budget of £30k (see the Community Impact Assessment [CIA] presented to the Health Committee on 20th November 2014). This additional proposed saving of £20k means that the Public Health directorate dental public health budget would be ceased, and all dental health promotion carried out through generic health promotion staff and initiatives. The dental public health budget was put in place to respond to requirements to fund epidemiological surveys or dental health promotion initiatives coming from Public Health England. There have been no such requirements in 2013/14 or 2014/15.

**£15k** Reduce health protection budget from £15k to £10k: This budget is used reactively in health protection incidents. In some years spend against it may be very low and in other years it may be overspent. On average spend is below £10k.

**£5k** Reduce public health emergency planning budget from 10k to £5k: This budget may be used reactively or for training. It has been underspent recently.

**£5k** reduction in public health directorate pay and non-pay budget in addition to £72k saving already made (see CIA). To be achieved through reduced use of agency staff, non-pay budgets and holding of in-year vacancies.

Total: **£65k** recurrent savings with a further **£35k** to be identified, to be updated at the Health Committee meeting.

- 3.8 In order to identify non-recurrent public health funding to a total of £400k the following sources of funding have been identified:

**£150k:** Non-recurrent underspends on 2013/14 public health MOU  
Majority is underspend on public health 'changing behaviours' training

**£35k** Part year savings from delayed implementation of 2014/15 investments:  
Mental health training across agencies: £20k  
Physical activity workplace initiative: 15k

**£215k:** Early implementation of 2015/16 savings  
Quitline smoking cessation telephone support already ceased: £25k (see CIA)  
Dental public health: £50k (see CIA)  
Sexual health: £70k (see CIA)  
Public health directorate in-year vacancies and non-pay savings: £40k (see CIA)  
Smoking cessation medications and GP/pharmacy payments: £20k (see CIA)  
Health protection: £5k  
Emergency planning: 5k

Total: **£400k** non-recurrent funding.

If there are unanticipated pressures in year, and the non-recurrent savings outlined above are not realised, then it would be necessary to either use reserves, which could increase financial risk given that some public health services are demand led, or to reduce the pump priming funding to address health inequalities in Fenland.

#### **4. ALIGNMENT WITH CORPORATE PRIORITIES**

##### **4.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

##### **4.2 Helping people live healthy and independent lives**

The report sets out the implications for this priority in paragraphs 3.2 and 3.3.

#### **4.3 Supporting and protecting vulnerable people**

The report sets out the implications for this priority in paragraphs 3.2 and 3.3.

### **5. SIGNIFICANT IMPLICATIONS**

#### **5.1 Resource Implications**

The report sets out resource implications in paragraphs 3.5, 3.6, 3.7 and 3.8

#### **5.2 Statutory, Risk and Legal Implications**

Investment in falls prevention is in line with public health ring-fenced grant conditions, in that it is for the primary purpose of improving health; is included in the public health outcomes framework – which shows hospital admissions due to falls to be worse than the national average in Cambridge City; has been identified as a need in the Cambridgeshire Joint Strategic Needs Assessment (JSNA); has a robust evidence base described in NICE guidance; and is likely to provide value for money, although this will be locally evaluated.

#### **5.3 Equality and Diversity Implications**

This investment will be focussed on meeting the needs of older people, and targeted specifically for those older people most likely to have an increased need for social care as a result of a fall. The impact of savings is largely outlined in existing CIAs which will be updated in the Business Planning Paper brought to Health Committee in January.

#### **5.4 Engagement and Consultation Implications**

Any change to services may require further engagement and consultation.

#### **5.5 Localism and Local Member Involvement**

There are no significant implications.

#### **5.6 Public Health Implications**

These are outlined in paragraphs 3.2, 3.3, 3.6, 3.7, 3.8.

<b>Source Documents</b>	<b>Location</b>
The County Council 2014-15 Business Plan	<a href="http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2014_to_2015">http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2014_to_2015</a>
Public Health Outcomes Framework	<a href="http://www.phoutcomes.info/">http://www.phoutcomes.info/</a>
NICE Guideline CG 161	<a href="http://www.nice.org.uk/guidance/CG161">http://www.nice.org.uk/guidance/CG161</a>
Report to Health Committee, 20th November 2014	<a href="http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=10635">http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=10635</a>