Cambridgeshire County Council –Response to Department of Health Consultation on 'Local authority public health allocations 2015/16: in-year savings'

www.gov.uk/government/consultations/local-authority-public-health-allocations-2015-to-2016

Question: 1

Do you agree with DH's preferred option (C) for applying the £200 million saving across LAs? If not, which is your preferred option?

Please tick your preferred option or describe an alternative :
A
B
C
D (see paragraph 3.2)

[A. Devise a formula that claims a larger share of the saving from LAs that are significantly above their target allocation.
B. Identify LAs that carried forward unspent reserves into 2015/16 and claim a correspondingly larger share of the savings from them.
C. Reduce every LA's allocation by a standard, flat rate percentage. Nationally the £200 million saving amounts to about 6.2 per cent of the total grant for 2015/16, so that would also be the figure DH applied to individual LAs. Annex C sets out the effect on allocations.
D. Reduce every LA's allocation by a standard percentage unless an authority can show that this would result in particular hardship, taking account of the following criteria:
• inability to deliver savings legally due to binding financial commitments;
• substantial, disproportionate and unavoidable adverse impact on people who share a protected characteristic within the meaning of section 149 of the Equality Act 2010;
• high risk that, because of its impact, the decision would be incompatible with the Secretary of State's duties under the NHS Act 2006 (in particular the duty to have regard to the need to reduce inequalities between people with regard to the benefits they can receive from public health services);
• the availability of funding from public health or general reserves; or
• any other exceptional factors.]

Cambridgeshire County Council response

Preferred option:

Cambridgeshire's preferred option is **Option A**

Rationale

Option A

- There is already a three-fold variation between local authorities in target public health grant funding. Given that many public health issues, such as obesity, alcohol use, sexual health and contraception, have a 'whole society' impact rather than only affecting areas of deprivation – this is a large differential between areas.

- In reality the difference in funding between local authority areas often reflects the history of local NHS funding before implementation of the Health and Social Care Act (2012). Where local NHS commissioners were financially challenged, the pre-transfer public health spend and therefore the public health allocation transferred tended to be lower ('below target'), and independent of population need for public health services.
- Therefore an option which moves local authorities towards their target funding for the public health grant would be Cambridgeshire County Council's preferred option.While we would not be in favour of a recurrent reduction to the public health grant, if this were to take place the move of local authorities towards their target funding would be essential, and applying this to the non-recurrent reduction would set the precedent appropriately.

Option B

- Achieving genuine progress in public health requires consistent ongoing programmes over several years, rather than short term in-year projects. A positive feature of the transfer of public health to local authorities under the Health and Social Care Act (2012) is the ability now to carry funding forward from year to year in public health reserves – allowing democratic decision making to earmark funding for specific longer term projects, rather than just for short term in-year spend. Targeting local authorities which have chosen to plan in this way, and which have made these democratic decisions and commitments in public would not be an equitable approach to the savings requirement.

Option C

- Option C would be Cambridgeshire's preferred option if Option A were not feasible. However it does miss an opportunity to increase equity of allocations nationally.

Option D

- We believe that Option D would be difficult to implement and would leave authorities with a degree of in-year uncertainly which would be hard to manage. However if Option D is taken as the preferred option, we would put forward the following hardship issues for Cambridgeshire:
    - Demography and population growth: Cambridgeshire is acknowledged nationally by central government as being one of the growth hotspots of the country, and experiences significant year on year population increase. The demography pressures for Cambridgeshire public health grant funded services between 2014/15 and 2015/16 had to be covered with no increase in grant funding.
    - Challenged health economy: Cambridgeshire and Peterborough health system is defined nationally as a 'challenged health economy' with

significant current and projected deficits in the local NHS system. Plans are being formulated to help close the financial gap through increased preventive interventions – with a strong focus on preventing obesity and its complications. Reduction in the public health grant will mean a reduction rather than an increase in public health preventive interventions – which will result in further pressures on the local health system.

- Public health grant funding for Cambridgeshire is approximately 5% below its target allocation. For reasons outlined under Option A, we do not believe it is appropriate to target additional reductions on local authority areas which are already receiving less than their target funding.

Question 2

How can DH, PHE and NHS England help LAs to implement the saving and minimise any possible disruption to services?

Cambridgeshire County Council response

- Making significant savings requires change management. It would be helpful to have a non-recurrent 'change management' fund which local authorities could bid into to support their in-year savings process.

Question 3

How best can DH assess and understand the impact of the saving?

Cambridgeshire County Council response

- The impact of a one-off in-year saving is very different from the impact of a recurrent saving, due to the potential for short-term non-recurrent 'fixes' which cannot be sustained in the longer term. Conversely longer term changes to contracts may be possible for a recurrent saving which cannot be achieved in year. It is important that DH appreciate this, and does not assume that 'stakeholder' views on the non-recurrent saving would give an accurate reflection of the impact of recurrent reductions.
- Our view is that reducing funding for public health preventive measures is shortsighted, and will lead to increased pressures on the public purse in the longer term.
- We would recommend a national survey of key stakeholders including DsPH, LA chief executives, Health and Wellbeing Boards and CCGs that is consistent across different parts of the country. We would not recommend asking Public Health England Centre Directors to lead the response.

- If recurrent reductions are under consideration, stakeholders should be asked separate questions about recurrent reductions (which would affect joint strategic planning through Health and Wellbeing Boards), as well as the impact of the in-year 2015/16 grant reduction.