

With the transfer of public health responsibilities from the NHS to Leeds City Council in April 2013 came a budget as a ring fenced Public Health Grant.

The Department of Health published in February 2012 and January 2013 details of the national funding allocations for public health activities. These allocations were for two years and for Leeds were £36.9m in 2013/14 and £40.5m in 2014/15. The Department of Health in its allocations to Leeds acknowledged that the funding by Leeds Primary Care Trust had been under “target”. The 2013/14 allocation equated to £48 per head compared to a Department of Health target of £57 per head. The additional funding for 2014/15 therefore represents movement towards that target.

In 2013/14 ring fenced grant was intended to maintain the current level of services plus meet any national changes made by the Department of Health on Council responsibilities. At the time when Leeds City Council budget report for 2013/14 was presented to Full Council there was acknowledgement that there were still uncertainties around precisely which functions are funded through the financial settlement.

In practice those uncertainties continue to the present, in particular around prescribing costs. There have also been additional cost pressures for example with the recent announcement in Parliament that the Warm Homes Healthy People Fund will not be available as in previous years but instead is incorporated within the ring fenced Public Health Grant.

For 2013/14 the majority of the £36.9m ring-fenced Public Health Grant is spent on commissioned services (£30m). The providers are Leeds Teaching Hospitals NHS Trust; Leeds Community Healthcare; Leeds & Yorkshire NHS Partnership Foundation Trust, Voluntary, Community & Faith Sector; General Practices, Pharmacists.

A further £1.5m has been spent in 2013/14 on funding current Local Authority Services that can be considered public health services.

The table below identifies the public health expenditure by selected specific Public Health areas.

In taking on its new responsibilities Leeds City Council has therefore inherited those public health services previously commissioned by Leeds Primary Care Trust. However, the government has only made a relatively small number of these services mandatory. These include sexual health services, NHS Health Check, the National Child Weight Management Programme, public health advice to Clinical Commissioning Groups and health protection assurance. Other services such as the school nursing service, drugs and alcohol services are now at the discretion of the Council.

## **Public Health expenditure by selected specific Public Health areas**

### **Adults**

Drug misuse	9.6m
Alcohol misuse	2.7m
Sexual health services	8.3m
Stop smoking services	1.0m
NHS Health Check	0.8m
Obesity services	0.6m

### **Children**

School nursing	2.3m
Healthy schools	0.4m
Obesity services	0.3m
Physical activity	0.2m
Drugs	0.6m
Alcohol	0.2m

The 2014/15 ring fenced grant will be £40.5m – an uplift of around £3.7m. Leeds City Council in its financial plan has already ear marked £2m of that uplift to fund current council services that relate to public health. At present the remainder is to be used to deal with the cost pressures that have arisen from the transfer of existing commissioned services.

The Department of Health is reviewing the Public Health allocation formula. One change to the funding formula will arise from the introduction of “health premium”. This was announced in the White Paper Equity & Excellence: Liberating the NHS July 2010 as a “new health premium” designed to promote action to improve population wide health and reduce health inequalities. In October 2013 an interim report has been produced for the Advisory Committee on Resource Allocation (ACRA) that sets out possible Public Health outcome indicators that could be used to reward performance with a mixture of nationally and locally chosen indicators. The interim report suggests a considerable amount of further work will be needed before the health premium is implemented.

In August 2013, NHS England published the implications for the three Leeds Clinical Commissioning Groups (CCG's) of implementation of a revised funding formula. This would result in a loss of £84m across the three Leeds CCG's. That loss dwarfs the total Public Health ring fenced grant for Leeds – which is anyway wholly committed. The ring fenced Public Health grant, tied as it is to council responsibilities cannot be seen as being able to compensate for the loss of any CCG funding. There would need to be a radical increase in Public Health funding to compensate for the potential loss of CCG funding. The findings from the Department of Health review of the Public Health allocations formula is awaited with interest.