



Department  
of Health

# Local authority public health allocations 2015/16: in-year savings

## A consultation

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<b>Contact details:</b> <b>email to: <a href="mailto:consultation.laphallocations@dh.gsi.gov.uk">consultation.laphallocations@dh.gsi.gov.uk</a></b> Post: Consultation on Local Authority Public Health Allocations Department of Health Public Health Policy and Strategy Unit Room 165 Richmond House 79 Whitehall London SW1A 2NS

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# Local authority public health allocations 2015/16: in-year savings

## A consultation

**Prepared by the Public Health Policy and Strategy Unit, Department of Health**

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# Executive summary

As part of wider Government action on deficit reduction, the 2015/16 public health grant to local authorities will be reduced by £200 million. This consultation sets out technical options for implementing the saving and will run for a period of four weeks from 31st July 2015.

The principle question relates to how each LA's contribution to the saving will be calculated. The options include a standard, flat rate of 6.2 per cent applied to all, or a process that differentiates between LAs in different circumstances (allowing for evidence of hardship, for example) applying varied percentages that still total £200 million.

## Chapter 1: Introduction

1.1 This consultation document summarises the outstanding policy issues on which we seek views. These issues are set out in Chapter 3. The consultation process is set out at Annex A.

1.2 The need for an economic assessment and an impact assessment of the proposed policy will be looked at after the consultation has finished.

1.3 Questions for consultation are summarised in Annex B. We welcome general comments as well as specific responses to the questions.

1.4 This consultation closes on 28th August 2015. You can contribute to the consultation by responding in two ways:

email to: [consultation.laphallocations@dh.gsi.gov.uk](mailto:consultation.laphallocations@dh.gsi.gov.uk)

Post:

Consultation on Local Authority Public Health Allocations

Department of Health

Public Health Policy and Strategy Unit

Room 165

Richmond House

79 Whitehall

London

SW1A 2NS

## Chapter 2: Background

2.1 Since 2013 local authorities (LAs) in England have had a statutory duty to take the steps that they believe are appropriate to improve the health of their populations. The Department of Health (DH) funds LAs for this with a grant.

2.2 In December 2014 DH announced a 2015/16 public health grant of £2.8 billion, with £430 million to be added to that in October 2015 when responsibility for the commissioning of services for children aged 0-5 transfers to LAs from NHS England – making a total of £3.23 billion. The grant is paid to LAs by PHE in quarterly instalments. The first payment for 2015/16 was made in April 2015.

2.3 DH also identified £5 million to fund a pilot Health Premium Incentive Scheme (HPIS). This was intended to reward LAs that achieve a defined level of progress against two indicators of public health.

2.4 On 4 June the Chancellor of the Exchequer announced a package of savings to be made across government in 2015/16, the current financial year, to reduce public debt. The savings amount to £3 billion and include £200 million from this year's public health grant, to be deducted from the January 2016 instalment.

### Scope of the consultation

2.5 The Department wants LAs to have the optimum flexibility in making this saving while at the same time being as supportive as it can. DH intends to continue to make payments due to LAs this year under the HPIS. The Department considered the option of repurposing this money to help mitigate the impact of the grant reduction but does not consider that this would be appropriate. The principle of the HPIS is to reward local progress on key indicators of public health, which DH believes remains important, and the payments it delivers will form an element of LAs' public health funding. This means that LAs will be able to determine how any payments are best used in the context of the grant reduction and their local priorities.

2.6 In reaching its decisions DH will consider carefully the statutory requirements that apply to it, not least the public sector equality duty.

2.7 DH intends the transfer to LAs of responsibility for commissioning 0-5 children's public health services to take place in October as planned. The Regulations mandating the universal aspects of those services will still come into force on 1 October. It will be open to LAs to make savings from the funds that transfer in October as well as from the original April 2015 allocation as long as they comply with these Regulations and the other statutory requirements that apply to them.

2.8 Views on the questions from all will be carefully considered and are equally welcome, particularly in relation to any people sharing a protected characteristic as defined in the Equality Act 2010. Please include in responses any views about ways to minimise possible disruption to services and adverse impacts on public health.

### Options

2.9 There are three questions. For one of them DH has expressed its current preferred option in order to help inform the response to this consultation - it will not make any decisions

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until it has considered the responses in full. All consultees are welcome to suggest alternative options not mentioned in this document.



# Chapter 3. Questions on how to implement public health allocation savings in 2015/16

## Question 1

### How should DH spread the £200 million saving across the LAs involved?

3.1 DH could, for example:

- 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.

3.2 LAs are invited to include any such evidence in responses to this consultation. Should the Department opt to implement option D, it will rely on this evidence in making decisions on its application and will not mount a separate consultation to gather this evidence.

3.3 The total savings required under all options would remain at £200 million - if any LAs are eventually asked to save less than 6.2 per cent it follows that others would be required to save more.

3.4 Subject to the outcome of this consultation, DH's preferred option is C. It is the simplest and most transparent option to implement and would enable the Department to provide LAs quickly with certainty on what would be required of them.

3.5 Option D offers the potential of additional sensitivity to local needs but would be considerably more complex to implement and depends on the provision by LAs of clear evidence to identify confidently a finite number of genuinely exceptional local circumstances.

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The need for DH to consider a potentially large number of cases means it would be likely to take significantly longer to provide LAs with clarity on the savings they would be required to make.

### Question 2

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

3.6 DH welcomes proposals. Only a few aspects of the system architecture are fixed:

- LAs' duties in primary legislation will remain in place.
- It would not be realistic to amend the existing Regulations that require LAs to take particular steps (highlighted in Annex C), or the Regulations that will mandate the universal aspects of commissioning of public health services for children aged 0-5, or any other secondary legislation, in time to influence spending in the current financial year.
- The conditions attached to the grant will stay in place for the rest of 2015/16.

### Question 3

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

3.7 Again, DH welcomes proposals. To inform its planning for 2016/17 and beyond it is important for the Department to understand the effect of this saving, including its effect on services for children aged 0-5. It is also important to reach that understanding in ways that do not add to LAs' costs. DH could, for example:

- Undertake a national survey of directors of public health and other key stakeholders.
- Commission PHE centre directors to review the local impact and contribute to a national report for DH.
- Work through representative bodies to gather feedback on local impact.

# Annex A: The consultation process

## Criteria for consultation

This consultation aims to:

- formally consult at a stage where there is scope to influence the outcome;
- consult for a proportionate period
- be clear about the process in the consultation documents, what is being proposed, the scope to influence, and the expected costs and benefits of the proposals;
- ensure the consultation exercise is designed to be accessible to, and clearly targeted at, those people it is intended to reach;
- keep the burden of consultation to a minimum to ensure effectiveness and to obtain consultees' 'buy-in' to the process;
- analyse responses carefully and give clear feedback to participants following the consultation;
- ensure officials are guided on how to run an effective consultation exercise and share what they learn from the experience.

## Comments on the consultation process itself

If you have concerns or comments that you would like to make relating specifically to the consultation process itself please contact:

Consultations Coordinator  
Department of Health  
3E48, Quarry House  
Leeds  
LS2 7UE

e-mail [consultations.co-ordinator@dh.gsi.gov.uk](mailto:consultations.co-ordinator@dh.gsi.gov.uk)

Please do not send consultation responses to this address.

## Confidentiality of information

We manage the information you provide in response to this consultation in accordance with the Department of Health's Information Charter.

Information we receive, including personal information, may be published or disclosed in accordance with the access to information regimes (primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and, in most circumstances, this will mean that your personal data will not be disclosed to third parties.

## Summary of responses to the consultation

A summary of the response to this consultation will be made available before or alongside any further action, such as laying legislation before Parliament, and will be placed on the Consultations website at

<http://www.dh.gov.uk/en/Consultations/Responsestoconsultations/index.htm>

## Annex B: Consultation questions and response form

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)

Question: 2

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

Question: 3

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

## Annex C: Illustrative revised allocations

Indicative impact of a flat 6.2% reduction in each local authority's total 2015/16 public health grant. All figures are £'000s

Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Barking and Dagenham	14,213	2,512	16,725	15,688
Barnet	14,335	2,592	16,927	15,878
Barnsley	14,243	2,549	16,792	15,751
Bath and North East Somerset	7,384	1,387	8,771	8,227
Bedford	7,343	1,291	8,634	8,099
Bexley	7,574	1,720	9,294	8,718
Birmingham	80,838	11,210	92,048	86,341
Blackburn with Darwen	13,134	1,880	15,014	14,083
Blackpool	17,946	1,551	19,497	18,288
Bolton	18,790	2,835	21,625	20,284
Bournemouth	8,296	1,818	10,114	9,487
Bracknell Forest	3,049	774	3,823	3,586
Bradford	35,333	6,133	41,466	38,895
Brent	18,848	2,763	21,611	20,271
Brighton and Hove	18,695	2,111	20,806	19,516
Bristol, City of	29,122	3,799	32,921	30,880
Bromley	12,954	1,901	14,855	13,934
Buckinghamshire	17,249	3,061	20,310	19,051
Bury	9,619	1,806	11,425	10,717

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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Calderdale	10,679	2,190	12,869	12,071
Cambridgeshire	22,155	3,861	26,016	24,403
Camden	26,368	2,121	28,489	26,723
Central Bedfordshire	10,149	1,902	12,051	11,304
Cheshire East	14,274	2,353	16,627	15,596
Cheshire West and Chester	13,889	2,107	15,996	15,004
City of London	1,698	75	1,773	1,663
Cornwall	20,749	3,673	24,422	22,908
County Durham	45,780	4,894	50,674	47,532
Coventry	19,415	2,807	22,222	20,844
Croydon	18,825	2,748	21,573	20,235
Cumbria	15,594	2,599	18,193	17,065
Darlington	7,184	1,215	8,399	7,878
Derby	15,710	3,094	18,804	17,638
Derbyshire	35,562	5,140	40,702	38,178
Devon	22,060	4,513	26,573	24,925
Doncaster	20,198	3,450	23,648	22,182
Dorset	12,889	2,267	15,156	14,216
Dudley	18,974	2,453	21,427	20,099
Ealing	21,974	2,863	24,837	23,297
East Riding of Yorkshire	9,175	1,536	10,711	10,047
East Sussex	24,067	3,500	27,567	25,858

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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Enfield	14,257	2,447	16,704	15,668
Essex	48,192	10,981	59,173	55,504
Gateshead	14,850	1,987	16,837	15,793
Gloucestershire	21,793	3,141	24,934	23,388
Greenwich	19,061	3,574	22,635	21,232
Hackney	29,818	4,009	33,827	31,730
Halton	8,776	1,410	10,186	9,554
Hammersmith and Fulham	20,855	1,996	22,851	21,434
Hampshire	40,363	8,843	49,206	46,155
Haringey	18,189	2,422	20,611	19,333
Harrow	9,146	1,577	10,723	10,058
Hartlepool	8,486	761	9,247	8,674
Havering	9,717	1,372	11,089	10,401
Herefordshire, County of	7,970	1,266	9,236	8,663
Hertfordshire	37,642	8,200	45,842	43,000
Hillingdon	15,709	2,137	17,846	16,740
Hounslow	14,084	1,935	16,019	15,026
Isle of Wight	6,088	1,226	7,314	6,861
Isles of Scilly	73	37	110	103
Islington	25,429	2,092	27,521	25,815
Kensington and Chelsea	21,214	1,342	22,556	21,158
Kent	53,264	11,894	65,158	61,118



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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Kingston upon Hull, City of	22,559	2,682	25,241	23,676
Kingston upon Thames	9,302	1,112	10,414	9,768
Kirklees	23,527	3,049	26,576	24,928
Knowsley	16,419	1,593	18,012	16,895
Lambeth	26,437	4,652	31,089	29,161
Lancashire	59,801	9,034	68,835	64,567
Leeds	40,540	4,993	45,533	42,710
Leicester	21,912	4,288	26,200	24,576
Leicestershire	21,930	3,202	25,132	23,574
Lewisham	20,088	3,790	23,878	22,398
Lincolnshire	28,506	4,166	32,672	30,646
Liverpool	41,436	4,845	46,281	43,412
Luton	13,286	2,114	15,400	14,445
Manchester	48,303	5,441	53,744	50,412
Medway	14,280	2,522	16,802	15,760
Merton	9,236	1,476	10,712	10,048
Middlesbrough	16,378	1,398	17,776	16,674
Milton Keynes	8,788	2,079	10,867	10,193
Newcastle upon Tyne	21,301	2,749	24,050	22,559
Newham	26,112	4,644	30,756	28,849
Norfolk	30,590	6,893	37,483	35,159
North East Lincolnshire	9,971	1,299	11,270	10,571

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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
North Lincolnshire	8,464	1,078	9,542	8,950
North Somerset	7,593	1,636	9,229	8,657
North Tyneside	10,807	1,674	12,481	11,707
North Yorkshire	19,732	2,535	22,267	20,886
Northamptonshire	29,523	5,033	34,556	32,414
Northumberland	13,361	2,547	15,908	14,922
Nottingham	27,839	5,319	33,158	31,102
Nottinghamshire	36,119	5,815	41,934	39,334
Oldham	14,915	2,164	17,079	16,020
Oxfordshire	26,086	4,333	30,419	28,533
Peterborough	9,291	1,563	10,854	10,181
Plymouth	12,276	2,575	14,851	13,930
Poole	6,057	1,287	7,344	6,889
Portsmouth	16,178	2,013	18,191	17,063
Reading	8,212	1,446	9,658	9,059
Redbridge	11,411	2,112	13,523	12,685
Redcar and Cleveland	10,917	1,117	12,034	11,288
Richmond upon Thames	7,891	1,334	9,225	8,653
Rochdale	14,777	2,299	17,076	16,017
Rotherham	14,176	2,150	16,326	15,314
Rutland	1,080	195	1,275	1,196
Salford	18,777	2,444	21,221	19,905
Sandwell	21,805	3,175	24,980	23,431

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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Sefton	19,952	2,216	22,168	20,794
Sheffield	30,748	3,724	34,472	32,335
Shropshire	9,843	1,474	11,317	10,615
Slough	5,487	1,546	7,033	6,597
Solihull	9,644	1,407	11,051	10,366
Somerset	15,513	3,843	19,356	18,156
South Gloucestershire	7,345	1,655	9,000	8,442
South Tyneside	12,917	1,392	14,309	13,422
Southampton	15,049	2,103	17,152	16,089
Southend-on-Sea	8,060	1,355	9,415	8,831
Southwark	22,946	3,464	26,410	24,773
St. Helens	13,099	1,582	14,681	13,771
Staffordshire	33,313	5,330	38,643	36,247
Stockport	13,189	2,426	15,615	14,647
Stockton-on-Tees	13,067	1,403	14,470	13,573
Stoke-on-Trent	20,242	1,811	22,053	20,686
Suffolk	25,742	4,206	29,948	28,091
Sunderland	21,036	2,750	23,786	22,311
Surrey	28,977	6,528	35,505	33,304
Sutton	8,619	1,280	9,899	9,285
Swindon	8,558	1,472	10,030	9,408
Tameside	13,463	1,771	15,234	14,289
Telford and Wrekin	10,913	1,572	12,485	11,711

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Local authorities	Total PH allocations excluding 0-5	Children's 0-5 public health allocation (part year)	Total 2015/16 PH allocation	Indicative revised allocation (original minus 6.2%)
Thurrock	8,631	1,956	10,587	9,931
Torbay	7,396	1,494	8,890	8,339
Tower Hamlets	32,261	3,855	36,116	33,877
Trafford	10,829	1,642	12,471	11,698
Wakefield	21,105	3,267	24,372	22,861
Walsall	15,827	2,146	17,973	16,859
Waltham Forest	12,277	2,908	15,185	14,244
Wandsworth	25,431	2,871	28,302	26,547
Warrington	10,439	1,467	11,906	11,168
Warwickshire	19,477	3,326	22,803	21,389
West Berkshire	4,819	919	5,738	5,382
West Sussex	27,445	5,582	33,027	30,979
Westminster	31,235	2,242	33,477	31,401
Wigan	23,665	2,761	26,426	24,788
Wiltshire	14,587	2,584	17,171	16,106
Windsor and Maidenhead	3,511	957	4,468	4,191
Wirral	28,164	2,522	30,686	28,783
Wokingham	4,223	930	5,153	4,834
Wolverhampton	19,296	2,198	21,494	20,161
Worcestershire	26,528	3,342	29,870	28,018
York	7,305	916	8,221	7,711
England	2,801,471	429,763	3,231,234	3,030,897