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Update on Public Health Funding

Purpose of report

For information.

Summary

This report is to update members on the LGA's work on public health funding.

Recommendation

Members are asked to note the update.

Action

Officers to continue to provide updates to members.

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Introduction

1. This paper updates members on key actions carried out by the LGA on public health funding since the last Panel meeting in September. At that meeting, members considered a report setting out three key issues:
 - 1.1. Further debate is needed about the overall amount of resources being provided to councils for their new public health responsibilities
 - 1.2. More work is needed to establish the correct baseline levels of funding
 - 1.3. The current proposals for the funding formula need to be revised so that resources can be targeted more effectively

Actions

2. On the issue of the overall pot of funding, we have been collecting the evidence to show that increasing the quantum of resources to local public health services through the grant to local authorities is the most cost effective use of health resources:
 - 2.1. For example, analysis by the Association of Directors of Public Health shows that an additional £1.2 billion investment in public health programmes in 13/14, increasing to £1.5 billion in 15/16, would ensure delivery of the Government's aspiration to improve health.
 - 2.2. This amount, whilst being significant for public health would have a marginal effect on the overall comprehensive health service budget - a 1% shift in the comprehensive health service budget to Public Health equates to £1 billion.
 - 2.3. Additional resources would also allow local communities to embrace the public health agenda unfettered by inequity resulting from historical under-investment by the NHS in preventative services, whilst not reducing the allocation for those who have invested more in effective public health programmes
3. In terms of baseline funding, we have heard from a number of authorities that have expressed concerns that mistakes have been made and various costs overlooked in arriving at their indicative baseline funding levels. We have been working with them to ensure that all their concerns have been addressed by the Department for Health (DH). In all cases we are aware of, this has been done but we have urged authorities to contact the DH if they still have concerns. We are discussing with DH official how shortfalls in funding due to inadequate recognition of cost will be addressed if they come to light mid-year. It will be difficult for local authorities to have their own contingency fund and we propose that DH or Public Health England could hold a

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contingency to ensure that local authorities are not financially disadvantaged and their services put at risk because of inaccuracies in identifying the true costs of public health

4. We have also continued to have discussions with DH officials about the distribution formula for the public health grant proposed by the Advisory Committee on Resource Allocation.
5. The Chairman of the LGA and Cllr David Rogers OBE, Chair of the Community Wellbeing Board, have had meetings with the new Ministerial team for Health and public health has been high on the agenda. Sir Merrick Cockell met the new Secretary of State of Health, Jeremy Hunt, in late October at the National Children and Adult Services Conference. The Chairman and Cllr David Rogers met Public Health Minister, Anna Soubry, on 13 November and again raised public health funding to local government as a major concern.

Financial Implications

6. This is core work for the LGA and is budgeted for within the 2012-13 LGA budget.