

Committee	Date(s):
Health and Wellbeing Board	23 Jan 2012
Subject: Public Health Grant Allocations and Commissioning Intentions	Public
Report of: Director of Community and Children's Services	For Information
<p>Summary</p> <p>This report advises members about the transfer of public health functions and related funding from primary care trusts to local authorities, effective from April 2013. It sets out the levels of transferred funding the City of London Corporation (CoLC) is expected to receive in 2013/14 and 2014/15 and the current position on the commissioning arrangement for the transferred public health contracts which CoLC will be responsible for.</p> <p>Recommendation(s)</p> <p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the report and the City of London Public Health Allocation for 2013/14 and 2014/15 • Note the requirement to delegate authority to the Town Clerk and Chairman and Deputy Chairman of the Community and Children's Services at paragraph 15. 	

Main Report

Background

1. From April 2013 public health functions and related funding will transfer from primary care trusts (PCTs) to upper and single tier authorities. Local authorities will have a duty to take appropriate steps to improve the health of their population, funded through a ring-fenced grant, and will take the lead for improving the health of their local population and reducing health inequalities.
2. Funding is ring-fenced and can only be used for public health functions, although it may be applied to revenue or capital spend (with the exception of items requiring borrowing) or pooled. Spending must be reported quarterly against 18 categories of contractual spend.
3. Baseline estimates of how PCT funding might be spent under the new commissioning arrangements were published in February 2012 to help local authorities and clinical commissioning groups plan for the transfer of functions. The City of London has a number of shared public health contractual commitments with the London Borough of Hackney. Officers have

been working with Hackney and NHS North East London and the City PCT cluster (NELC) to establish the predicted spend for 2012/13 and estimates for 2013/14 across all contracts transferring to the City of London. The transfer is being overseen by the City and Hackney Public Health Transition Board

Current Position

Funding allocation

4. The ring-fenced funding allocations for local authorities were announced on 10 January 2013 by the Department of Health.
5. The level of public health grant for next year and estimates for the following year for the City of London are as follows; figures for Hackney and the whole of London are shown for comparison:

	City of London	LB Hackney	London
• 2013/14	£1,651,400	£29,005,400	£553,000,000
• 2014/15	£ 1,697,600	£29,817,500	£578,000,000

6. The level of grant allocated to the City of London for the next two years is higher than originally expected and exceeds the funding currently required for the public health contracts transferring to the City in 2013/14. The value of all contracts currently delivered by NHS NELC which are transferring to CoLC and Hackney is approximately £24m.

Commissioning framework for contracts

7. Officers have been working closely with the City and Hackney Public Health Transition Board to assess the volume of functions and services currently delivered and to develop a commissioning framework to ensure an effective transfer of responsibility from NHS NELC to CoLC and LB Hackney in April 2013.
8. Services will continue to be provided under contract by a range of providers including GP practices, pharmacies, hospitals, City and Hackney Substance Misuse Partnerships, and by a wide range of community and voluntary services. Services provided currently include:
 - Alcohol and drug misuse
 - Immunisation
 - HIV and sexual health
 - Smoking cessation
 - Dental health
 - Health checks and health improvement
 - Nutrition, obesity and physical activity
 - Prevention, detection and infection control
 - Mental health

Contracts for these services have now been valued and categorised according to local need and specific commissioning requirements. Contracts will be commissioned through four commissioning 'strands' as set out in the following paragraphs.

Hackney-only contracts

9. These contracts are for services currently being delivered for specific communities or geographical areas in which CoLC has no identified responsibility, need or interest. Services in this strand include, for example, screening services for the Jewish community and smoking cessation for the Turkish community. LB Hackney will have sole responsibility for funding and managing these services.

Hackney 'Lead' contracts

10. Contracts for these services will be commissioned and managed by LB Hackney on behalf CoLC. The majority of CoLC public health contracts will be commissioned and delivered under this arrangement. The arrangement will allow CoLC residents to use these services and will require a service level agreement (SLA) setting out CoLC requirements and expectations to allow officers to monitor and evaluate services provided to City residents. The latest estimate of the total value of these contracts is £637,281. CoLC will transfer 5.3% of the contract cost to Hackney for which will include 3% administration and management fee. Services in this strand include many of the larger programme contracts delivered by providers such as GPs, the Homerton Farndale Trust and the community and voluntary sector. They include, for example, programmes for smoking cessation and obesity, and services for sexual health and mental health.

CoLC-only contracts

11. These contracts will be for services specific for City residents only and delivered by CoLC or providers already known to and working in and for CoLC. They include drugs misuse services provided by City Substance misuse Partnership, physical exercise referrals from the Neaman GP practice by Fusion, and the City Fair start programme run by Toynbee Hall in Portsoken Ward providing health/obesity reduction services. The latest estimate of the total value of these contracts is £274,571.

Partnership contracts

12. This strand includes services which require the the development of a partnership arrangement or a new between CoLC and the provider. It includes services such as smoking cessation, some of which will be delivered under the Hackney 'lead' strand (see paragraph 10), but where the CoLC requires a different approach or arrangement to be developed - for example a specific smoking cessation programme aimed at City workers with Queen Mary's hospital or the provision of a higher number of health checks in partnership with local pharmacies or voluntary organisations in the City. Work is continuing to determine the precise requirements and best delivery arrangements for these services. The latest estimate of the total value of these contracts is £75,973.

Total contract and other costs

13. The total costs to the City of providing the public health services as set out above is currently estimated at £987,825. Other costs associated with the transfer of responsibility for public health such as staffing costs for commissioning officers, CoLC contribution to the director of public health post and clinical support, and contract management fees payable to LB Hackney are estimated at approximately £210,000. These costs can be contained within the overall funding allocation for CoLC for 2013/14 .

Implications

14. The City Comptroller and LB Hackney will need to establish an overarching legal agreement providing for flexible joint commissioning arrangements between CoLC and LB Hackney for the delivery of the Hackney Lead and Partnership contracts. CoLC, LB Hackney and the CCG will also require an agreement for the management of the wider clinical, regional, and pan-London contracts over the longer term
15. Members are asked to note that the Health and Well Being Board will need seek permission from Community and Children's Services in accordance with standing order 41b, to delegate authority to the Town Clerk and Chairman and Deputy Chairman to enter into contractual and other legal agreements as are necessary to give effect to the transfer of public health contracts by that date to implement these contractual arrangements from 1 April 2013.

. Appendices

None

Background Papers:

Report to Health and Well Being Board: Public Health Contracts Transition Update
7 November 2013

Neal Hounsell
Interim Director of Community and Children's Services
0207 332 1650