

City of London Corporation Committee Report

Committee(s): Health & Wellbeing Board - For information	Dated: 07 Feb 2025
Subject: Public Health Contracts	Public report: For Information
This report: <ul style="list-style-type: none"> • Provides an update on the implications of Hackney's funding changes to joint Public Health Contracts from 24-25 	Diverse Engaged Communities; Providing Excellent Service
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£n/a
What is the source of Funding?	Ring-fenced Public Health grant
Has this Funding Source been agreed with the Chamberlain's Department?	N/a
Report of:	Dr Sandra Husbands, Director of Public Health for the City and Hackney
Report author:	Chris Lovitt, Deputy Director of Public Health for the City and Hackney

Summary

This paper summarises the use of the City of London ring-fenced public health grant and the current arrangements under the present combined service Service Level Agreement (SLA) between the City of London Corporation (the City Corporation) and the London Borough of Hackney (LBH). An update is provided on the schedule of rechargeable joint public health services for the City and Hackney for the 24–25 financial year and proposed recharges to the 25-26 financial year.

Recommendations

Members are asked to:

- Note the report.

Main Report

1. Background

City and Hackney Public Health operates as a joint service across two local authorities, under the jointly appointed Director of Public Health. A service level agreement is in place between the two authorities, under which all Public Health staff are employed by and most commissioning of public health services across City and Hackney is carried out by Hackney Council. A recharge for staff and related contract values is then made by LBH to the City Corporation for relevant services.

All local authorities have received below inflation increases in grant allocations in recent years and face significant financial pressures. LBH has identified that it needs to make £36m of savings from April 2025, followed by savings of £13m in 2026-27 and £18m in 2027-2028. These savings are contained with the medium term financial plan (MTFP) approved by Hackney cabinet¹.

2. Current Position

Members requested a paper on the funding arrangements for Public Health and whether any decisions made by Hackney Council in relation to its Public Health grant and commissioned services may have an impact on the City of London.

All upper tier and unitary local authorities, including the City of London, receive a grant from the Department of Health and Social Care to assist with discharging their responsibilities for improving the health of their local population and reducing health inequalities. The grant is ring fenced for use on public health functions and is accompanied with an annual statement setting out the conditions of the grant². The allocation of the grant for 2024/25 and three preceding years in previous years is detailed in table 1 below. The allocation for 2025/2026 has yet to be announced.

3. Summary of joint public health recharges

Table 1	21-22	22-23	23-24	24-25
CoL Public Health Grant	1,656,399	1,702,931	1,758,476	1,781,647
LBH recharge (staffing + contracts)	1,398,684	1,517,335	1,678,009	1,686,659
Contribution to CoL CCS Commissioning, Strategy and Performance service	74,786	115,000	115,000	115,000

¹

https://hackney.moderngov.co.uk/documents/s90217/08-5%20-%20September%20OFP%20Appendix%205%20-%20Revised%20Medium%20Term%20Financial%20Plan%202025_26%20to%202027_28%20-%20Google%20Doc.pdf

² <https://www.gov.uk/government/publications/public-health-grants-to-local-authorities-2024-to-2025>

Liability Insurance ³	2,253	1,500	1,000	1.000
Supervision and Management ⁴	28,000	28,000	28,000	28,000

The 2024-25 recharge summary will be calculated at the start of the financial year, once the grant allocation has been confirmed. As such, the recharge summary for 2025- 2026 will not be available until after the new financial year grant has been confirmed.

Public Health funding has increased over the past four years but has not kept pace with inflationary increases. An additional payment was received in quarter 4 of 2024-2025 to assist, where appropriate, with meeting some of the pay awards in clinical services commissioned from the NHS.

³ PH contribution to the liability insurance of the City of London Corporation, which provides protection against claims stemming from injuries or property damage within the corporation's domain.

⁴PH contribution to the supervision and management costs of the Commissioning, Strategy and Performance service.

4. Public Health Contracts delivering services to the City of London

Table 2 provides an overview of the services that are funded from the public health grant received by the City of London in 2024/25 and any changes in 2025/26. Where a service is changing the comments provide details as to the likely impact on the City of London.

Table 2

#	Description	24/25 Contract Value	CoL Recharge		25/26 Contract Value	CoL Recharge	
			%	£		%	£
1a	Domestic Violence training in Primary Care	£89,940	3.40%	£3,058	nil	nil	nil
<p>This service, which exclusively provides training to primary care staff, was historically jointly-funded by Public Health and City & Hackney Clinical Commissioning Group (CCG)/ NHS North East London Integrated Care Board (NEL ICB).</p> <p>Responsibility for funding GP training sits with the NHS and so Public Health funding is being withdrawn from the end of March 2025.</p> <p>The £3,058 (3%) contribution to this contract from the City PH grant will be available for reallocation to alternative services to City residents.</p>							
1b	Domestic violence training and case consultation service	£106,667	3.40%	£3,627	£106,667	3.40%	£3,627
<p>The service provides domestic violence training and case consultation support to resident-facing practitioners in the City of London and Hackney including Council and Corporation staff, NHS services (excluding primary care) and the voluntary and community sector. There is no planned reduction to this contract.</p>							
2	Oral Health Service	£235,560	1.45%	£3,416	£235,560	1.45%	£3,416
<p>This service provides oral health promotion and fluoride varnish treatments to children.</p> <p>This is a contract where a saving has been identified and initial conversations indicate the current provider is willing to engage to help identify the most appropriate and least impactful way to achieve savings, when the contract is due for renewal in the 26-27 financial year. Once options are finalised, engagement will be carried out with relevant local partners, stakeholders and the public this will include the City.</p>							
3	Condom distribution scheme - Young People under 25	£105,000	3.00%	£3,150	£105,000	3.00%	£3,150

4	Young people's substance misuse services	£386,000	1.60%	£6,176	£386,000	1.60%	£6,176
5	Young Hackney Educational Outreach Health and Wellbeing service	£250,000	3.00%	£7,500	£250,000	3.00%	£7,500

The current SLAs for these services (lines 3 to 5) will be replaced with a single, integrated service for school-age children and young people. Redesign work is in progress to develop the new service scope, in collaboration with the service provider and other relevant system partners. The scope of the new integrated service will be finalised by Spring 2025 with a view to transition operational delivery from September 2025.

A £75,000 saving will be delivered as part of the service redesign work. We will work with Young Hackney and partners from the City of London to ensure the impact on City schools and children is mitigated.

6	Commercial Sex Worker service (Open Doors)	£381,120	fixed	£57,056	£338,766	fixed	£54,938
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The service is currently being recommissioned with a total reduction in contract value. It is expected that there will be a small reduction in the number of outreach sessions that will be delivered in City and Hackney as a result of the reduction in contract value.

7	CEG - GP Data Collection	£41,000	3.00%	£1,230	0	0	00
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This contract was not renewed and data reporting will be included in the City & Hackney Integrated Primary Care (IPC) primary care contracts.

8	Hackney and City Integrated Drug and Alcohol Service	£4,829,694	Fixed	£259,000	£4,841,592	Fixed	£259,000
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This service provides inpatient and outpatient treatment for people who are addicted to drugs and/or alcohol. The contract value includes what is paid from the City and Hackney public health grants, plus an annual contribution from MOPAC. has been extended and is now due to end in March 2027. A reduced envelope for a new contract after this date will include a challenge to fundamentally redesign the core substance use service, based on learning from the past few years.

The City of London Police contribute £52,500 to the annual contract total, while MOPAC contributes £210,000.

9	Dedicated Young people's Sexual Health Provision	£187,793	3.00%	£5,634	£187,793	3.00%	£5,634
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£100,000 investment to support young people-specific activity as part of the core Homerton Sexual Health Service and £87,793 for a dedicated nurse to carry out sexual health clinical in/outreach for young people. No reductions are planned to this budget

10a	School Based Health Service	£609,393	3.00%	£18,281.79	n/a	n/a	n/a
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	(old service, 5 months)						
10b	School Based Health Service (new service, 7 months)	£818,084	3.00%	£24,542.52	£1,567,925	3.00%	£47,038
11	Enhanced Health Visiting Service (includes Family Nurse Partnership)	£6,970,000	Fixed	£159,650	£7,085,246	Fixed	£159,650

The school based health service provides school nursing through all state maintained schools in the City and Hackney. It will not be subject to any savings. Line 10a refers to the old service that ran up till June 2024 and line 10b refers to the newly commissioned service, with an updated specification, that began in July 2024. The health visiting service provides routine health visiting services to all 0 to 5 year olds and their families and an enhanced service to families with additional, specific needs. Neither of these services for children and young people will be subject to any savings.

12	0-5 Obesity Service	£198,000	3.00%	£5,940	£198,000	3.00%	£5,940
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A universal and targeted healthy weight service for children aged 0-5 years and their families. It will not be subject to any savings.

13	5-19 Healthy Eating and Obesity Service	£109,167	3.00%	£3,275	£131,000	3.00%	£3,930
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No change and no savings planned.

14	HIV Preventative Services (Lot 1)	£98,220	5.00%	£4,911	£98,220	5.00%	£4,911
15	HIV Preventative Services (Lot 2)	£15,862	3.00%	£475.86	£15,862	3.00%	£475.86

No change proposed but a new contract will be commissioned in 2025/26

16	Support for Vulnerable Babies (HIV baby milk)	£7,500	3.00%	£225	nil	nil	nil
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The continuation of this service will be commissioned and provided by the NHS, which will liberate a small saving in Public Health, which can be repurposed.

17	Falls Prevention Service	£65,000	Fixed	£5,000	nil	nil	nil
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This service provides rehabilitation and falls prevention training for people who have already had a fall requiring clinical treatment. The contract ends 31 March 2025 and Public Health is working with NHS colleagues from NEL ICB to review and redesign the entire falls pathway.

Public Health plays a critical role in the primary prevention of falls through promotion of population-wide physical activity interventions. This more 'upstream', primary prevention approach aims to delay and reduce the risk of a first fall among the wider population of older people across the City and Hackney.

The £5,000 City contribution to this service is available for allocation to alternative City of London service provision.

18	NHS Health Checks	£220,000	3.00%	£6,600	£220,000	3.00%	£6,600
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This service is currently being recommissioned and is due to start from 1st April 2025, there are no planned savings and no impact on the City.

19	GP Enhanced Services (Sexual Health)	£350,000	3.00%	£10,500	£339,500	3.00%	£10,185
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This service is currently being recommissioned and is funded on an activity basis. The reduced budget reflects the lower than planned activity over previous years and includes the requirement for data reporting previously commissioned as a separate contract. There is no impact expected on the City of London

20a	Stop Smoking (to June 2024)	£218,753	Fixed	£10,500	n/a	n/a	n/a
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20b	New Stop Smoking service (from July 2024)	£536,100	Fixed	£37,500	£719,000	Fixed	£50,000
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A redesign of this contract has released minimal savings from Hackney's service provision, which will have no impact on service delivery to the City of London

21	Making Every Contact Count (MECC)	£34,300	Fixed	£2,500	£32,500	Fixed	£2,500
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No change as to how the service is delivered or funded

22	Community Kitchens	£60,000	2.00%	£1,200	£44,250	2.00%	£885
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The contract value is being reduced and the impact on the City is still being assessed.

23	LBH Trading Standards Alcohol and tobacco enforcement	£66,101	3.00%	£1,983	£66,101	3.00%	£1,983
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No change as to how this service is provided or funded

24	Community Champions service	£115,000	5.00%	£5,750.00	£115,000	5.00%	£5,750.00
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No change as to how this service is provided or funded

25	Pathway Analytics licence (sexual health data)	£3,000	50.00 %	£1,500	£3,000	50.00%	£1,500
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No change as to how this service is provided or funded

26	Mental Health Wellbeing Network	£1,344,250	3.00%	£40,328	£1,094,250	3.00%	£32,827
An agreed reduction in funding planned will begin from October 2025.. The City contribution will remain at 3% of the reduced annual contract value. Detailed discussions are underway to develop options for the new level of funding available by early February 2025.							
27a	ICT Management and Monitoring System for Community Pharmacies (i)	£4,716	3.00%	£141	£4,716	3.00%	£141
27b	ICT Management and Monitoring System for Community Pharmacies (ii)	£6,669	3.00%	£200	£6,669	3.00%	£200
No change as to how this service is provided or funded							
28	Community Based Peer Mentoring, Advice and Signposting Service	£75,000	3.00%	£2,250	£75,000	3.00%	£2,250
Service provides a community-based peer mentoring programme comprising one to one support for socially vulnerable pregnant women and new mothers from a mixture of staff and trained volunteer community peer mentors. There is no planned change to the service or funding.							
29	Sexual Health Pharmacy Service (includes STI)- PbR	£165,000	3.00%	£4,950	£160,000	3.00%	£4,800
This service is currently being recommissioned and once the new contract has been confirmed by the 1st April 2025 recharge will likely move to payment by eligible City of London activity							
30	Project Community (Positive East)	£79,895	3.00%	£2,397	£79,895	3.00%	£2,397
No change proposed but a new contract will be commissioned in 2025/26							
31	Healthy Start vitamins	£30,000	3.00%	£900	£30,000	3.00%	£900
No change as proposed as to how this service is provided or funded							
32	Alexander Rose voucher scheme	£20,000	3.00%	£600	£20,000	3.00%	£600
No change as proposed as to how this service is provided or funded							
33	Community Wellbeing Team	£170,000	nil	nil	nil	nil	nil

This service was previously funded only from the Hackney grant but does operate in the City. A recharge appropriate to the level of activity will be determined.

34	Sexual health services accessed by CoL residents outside of C&H	N/A	Annual actuals TBC	£210,000	n/a	Annual actuals TBC	£210,000
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This is recharged by providers based upon activity.

5. Conclusion

The current arrangements of a public health service level agreement with Hackney allow the City of London to receive significant benefits from shared and expert capacity and services to residents. These include detailed expertise of a broad range of public health staff members along with effective and efficient commissioning of services that continue to ensure the needs of the City of London are fully considered at all stages of the commissioning cycle.

Detailed reports on how each local authority spends the public health grant are published through the official statistics, including both planned spend at the start of the financial year and actual spend at the end of the year.⁵ In addition to this, the Director of Public Health and Director of Finance of each authority are required to send an annual assurance statement, confirming that all expenditure has been in accordance with the grant conditions.

⁵ <https://www.gov.uk/government/collections/local-authority-revenue-expenditure-and-financing>