Health and Adult Social Care Scrutiny Committee
12 January 2023

Public health grant review

Report of the Director of Public Health

1 Purpose

1.1 To brief the Committee on the work undertaken to review the use of the public health grant, to ensure that it;

- is clearly and demonstrably eligible as per the conditions of the grant,
- provides best value
- improves the health and wellbeing outcomes for Nottingham's population and reduces health inequalities.

2 Action required

2.1 The Committee is asked:

a) whether it wishes to make any comments or observations; and

b) to note the work undertaken to ensure the effective and eligible use of the ring-fenced public health grant.

3 Background information

3.1 The public health ring-fenced grant is provided to local authorities to support the duty to improve the health and wellbeing of the local population, as per the National Health Service Act 2006. The conditions require that the 'main and primary purpose of all spend from the grant is public health'. The value of the public health grant allocated to Nottingham City Council in 2022/23 is £35,458,795. The 2023/24 allocation is not expected to be announced until February/March 2023.

3.2 Local authorities are required to provide a Statement of Assurance to the Office for Health Improvement and Disparities (OHID) and a Revenue Outturn form to the Ministry of Housing, Communities and Local Government (MHCLG) confirming that the grant has been used for the purposes intended and the amounts shown on the Statement relate to eligible expenditure on public health. These returns must be certified and signed by the authority's Chief Executive/S151 Officer and the Director of Public Health.

3.3 There are a number of prescribed public health functions of a local authority which the public health grant must resource:[1]

a) Weighing and measuring of children (Reception and Year 6)
b) Health checks (aged 40 to 74 years)
c) Sexual health services
d) Public health advice service (to the health system)
e) Protection the health of the local population
f) Universal health visitor reviews

In addition, the conditions of the public health grant require local authorities to;

g) Have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services

In addition, the public health grant conditions expect that expenditure on non-prescribed activities will be incurred, in line with a list of specified categories provided.

4 List of attached information

4.1 Briefing Paper: Public health grant review
Appendix 1 – Categories for reporting local authority public health spend
Appendix 2 – Local Authority Health Profile for Nottingham

5 Background papers, other than published works or those disclosing exempt or confidential information

5.1 None

6 Published documents referred to in compiling this report

6.1 Public health ringfenced grant 2022 to 2023: local authority circular

7 Wards affected

7.1 All

8 Contact information

8.1 Nancy Cordy,
Senior Public Health Strategy and Service Improvement Manager
Nancy.cordy@nottinghamcity.gov.uk

[1] The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013, Part 2

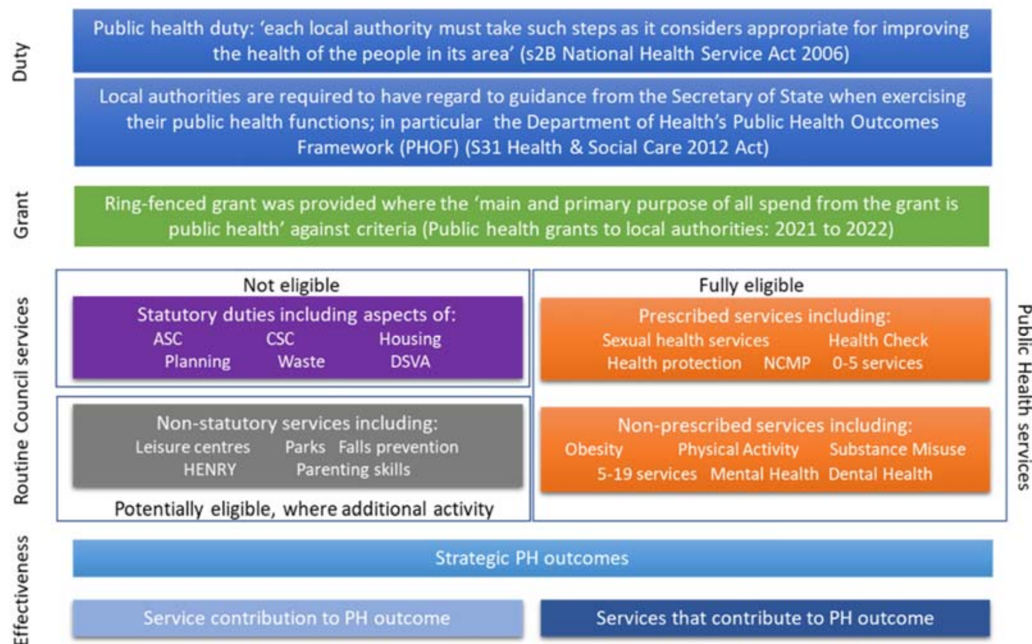
Briefing Paper: Public health grant review

1. Background

Under the National Health Service Act 2006, local authorities were given responsibilities for public health functions, namely 'each local authority must take such steps as it considers appropriate for improving the health of the people in its area' (s2B). Alongside this duty, a ring-fenced grant was provided where the 'main and primary purpose of all spend from the grant is public health[1]'. The Director of Public Health and Chief Executive/S151 officer have to confirm that expenditure of the grant is in line with the grant determination criteria.

Nottingham City Council is required to ensure provision of services in line with the terms of the grant, as set out in the figure 1. It remains essential that funds are only spent on activities whose main or primary purpose is to improve the public health of local populations and local authorities must have regard to other guidance as required by the Secretary of State, including Public Health Outcomes Framework and Best Value. The terms of the grant outlines prescribed (those services mandated in the NHS Act 2006) and non-prescribed services, which are required as part of the conditions of the grant (appendix 1).

Figure 1: Public health duty in local authorities



Requirements for grant allocation assurance

The value of the grant is calculated using the standardised mortality rate for under 75s, adjusted for age, gender and health outcomes. Nottingham benefits with a higher per capita allocation than surrounding areas. The terms

[1] Public health grants to local authorities: 2021 to 2022 - GOV.UK (www.gov.uk)

of the public health grant means that it is ring-fenced for specific purposes, as outlined in appendix 1.

1. Local authorities are required to forecast and report against the sub-categories in the Revenue Account (RA) and Revenue Outturn (RO) returns to the Department for Levelling Up, Housing and Communities (DLUHC) which share data with DHSC. The Office for Health Improvement and Disparities (OHID) oversees the use of the grant with councils on behalf of DHSC.

2. Additionally, local authorities have to provide an annual Statement of Assurance confirming that the amounts shown on the Statement relate to eligible expenditure on public health and that the grant has been used for the purposes intended. The returns must be certified by the authority's Chief Executive (or the authority's S151 Officer) and the Director of Public Health.

3. Any breach in the terms or conditions of the Grant, such as the Chief Executive, DPH or S151 officer unable to confirm that spend fairly presents the eligible expenditure, may mean that the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid.

2. Reviews of the public health grant usage

To ensure that the local authority has completed its duties with regard to the use of the grant, three inter-connected reviews have been completed: eligibility of expenditure; best value; and improvement of public health outcomes.

Grant expenditure review

In summer 2021, a two-phase review into the current expenditure commitments of the public health grant was commenced. Phase 1 focused on internal re-investments and was completed in October 2021. The review focused on ensuring eligibility of spend and contribution towards improving outcomes. The recommendations and a three-year transition plan to ensure eligible use of the grant in the future were included in the medium-term financial plan (MTFP), agreed at full Council. Additionally, OHID were informed of the subsequent changes and provided assurance of the robustness of the process undertaken, stating '[OHID] has confidence that the DPH and the City Council has put in place the appropriate levels of checks and balances to ensure that the public health grant is used in the most productive manner to support local communities'. Quarterly meetings have continued with OHID as the transition plan has been implemented.

Phase 2 of the review considers commissioned services, ensuring value for money in delivery of outcomes. Currently, substance use and sexual health services are in the process of being re-commissioned.

As a consequence of this review, expenditure of the public health grant to improve outcomes is now demonstrable through service level agreements/contracts.

Best Value review

Best Value is defined in the statutory guidance as a duty to "*make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*."

Having established the eligible use of the grant, a Best Value assessment was completed in autumn 2022. The reviews of investments and subsequent improvements in commissioning, management and structure have addressed key challenges identified and good progress has been made on the improvement journey.

- Economy: the review of the use of the ring-fenced public health grant ensures eligible use of the grant in the future. A revised Joint Health and Wellbeing Strategy, based on population need and national priorities, agreed by the Health & Wellbeing Board.

- Efficiency: Internal re-investments embedded in service level agreements and subject to annual review. A commissioning pipeline has been developed for commissioned services and reviewed at monthly multi-divisional PH programme board meetings. Revised service models and governance for substance use and sexual health services developed, and review of 0-19 services completed to ensure efficient use of contract sum. PH participating in council transformation programmes for neighbourhood development and sport and leisure services.

- Effectiveness: Benchmarking for outcomes shows that Nottingham has significantly worse outcomes in all key domains. This is being addressed through focused investment in public health interventions directly improving outcomes.

Public Health Outcomes

The Health and Wellbeing Board have a statutory duty to prepare a joint strategic needs assessment[2] (JSNA), that sets out the key risks, causes, burden of disease and evidence for effective interventions. In 2023/24 a new JSNA dashboard will be published, as a partnership between the Public Health Team and NHS Strategic Analysis and Intelligence Unit.

As summarised in table 1, the population of Nottingham have lower life expectancy than regional or national comparisons and will live less of their lives in good health. People experiencing the greatest deprivation have shorter life expectancy, and this is inequality increases over time for women. The trends of key outcomes are either plateauing or worsening, demonstrating

[2] Joint Strategic Needs Assessment - Nottingham Insight

the need for more focused investment in effective interventions that impact on the health and wellbeing of the population.

Table 1: Life expectancy for Nottingham (2018-2020)[3]

	Nottingham	Region	England
Healthy life expectancy at birth (Male)	57.42	61.98	63.14
Healthy life expectancy at birth (Female)	57.05	61.85	63.87
Life expectancy at birth (Male)	76.58	79.16	79.4
Life expectancy at birth (Female)	81.02	82.72	83.14
Inequality in life expectancy at birth (Male)	8.4	9.2	9.7
Inequality in life expectancy at birth (Female)	7.6	7.6	7.9
Inequality in life expectancy at 65 (Male)	5	5	5.2
Inequality in life expectancy at 65 (Female)	6.4	4.7	4.8

The Joint Health and Wellbeing Strategy (JHWS) outlines these poor outcomes and identifies that the main burden of disease is caused by preventable illnesses, such as cancer and cardiovascular disease. The JHWS also recognises the role of wider socio-economic factors in health and wellbeing, and has prioritised collective action on four areas to have the greatest impact on outcomes: smoking and tobacco control; eating and moving for good health; severe multiple deprivation; financial wellbeing.

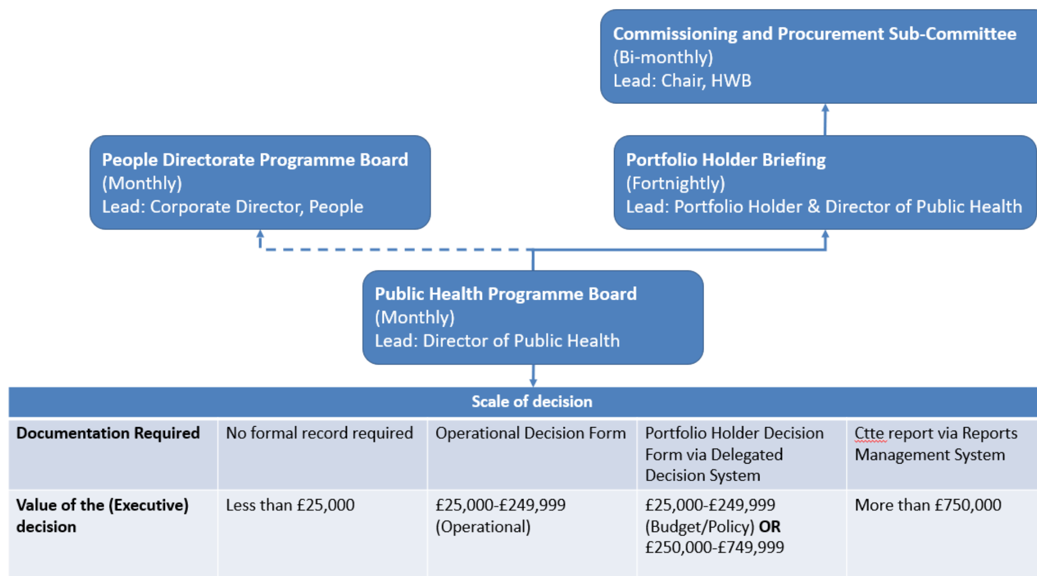
The public health grant will be aligned to ensure that delivery of the mandatory elements and effective delivery of interventions to support addressing these causes of ill-health are prioritised.

3. Governance of the public health grant

In line with the council's constitution, the strategic focus for the activities of the Public Health Team are shaped by the democratically approved Joint Health and Wellbeing Strategy, Integrated Care Strategy and Strategic Council Plan. Operational delivery and decision-making is in line with the commissioning framework, that is refreshed annually and approved by the Commissioning and Procurement Executive Committee. Officer-level governance is through the multi-divisional Public Health Programme Board. This ensures that all decision-making is properly recorded and enacted in line with the constitution and terms and conditions of the grant, as shown in figure 2.

Figure 2: Public Health Division governance structure

[3] Public Health Outcomes Framework - Data - OHID (phe.org.uk)



Scale of decision				
Documentation Required	No formal record required	Operational Decision Form	Portfolio Holder Decision Form via Delegated Decision System	Ctte report via Reports Management System
Value of the (Executive) decision	Less than £25,000	£25,000-£249,999 (Operational)	£25,000-£249,999 (Budget/Policy) **OR** £250,000-£749,999	More than £750,000

Additionally, as outlined above, national reporting is through the annual statement of assurance, and RA/RO forms, agreed and signed by the Director of Public Health and the Chief Executive/S151 Officer. This is supplemented locally with quarterly assurance meetings with OHID, to oversee the implementation of the grant transition plan.

4. Public health grant expenditure – 2022/23

Nottingham City Council's public health grant allocation for 2022/23 totalled £35,458,795, ringfenced for use on public health functions. Notification of the public health grant allocations are often very late in the financial year (usually February/March) and this can have implications for effective financial planning.

Local authorities are required to forecast and report public health grant expenditure against provided sub-categories. Table 2 (below) provides a summarised breakdown of the planned use of the public health grant in 2022/23 against the RA categories, as reported to the Department for Levelling Up Housing and communities (DLUHC).

Table 2: Summary of Revenue Account (RA) for 2022/23 outlining planned use of public health grant allocation

Prescribed functions:	
Sexual health services *Includes STI testing and treatment, contraception,*	£5,343,547
NHS Health Check programme	£164,708
Local authority role in health protection	£412,124
Children (prescribed) *Includes National child measurement programme, prescribed children's 0 to 5 services (i.e. universal health visitor checks)*	£5,951,008
Public health advice to NHS commissioners	£836,543
Non-prescribed functions:	

Sexual health services *Includes promotion, prevention and advice*	£383,896
Obesity *Adults and Children*	£1,099,798
Physical activity *Adults and Children*	£2,036,372
Substance use *Includes preventing and reducing harm from drug and alcohol misuse in adults, treatment for drug and alcohol misuse in adults, specialist drug and alcohol misuse services for children and young people*	£7,119,927
Smoking and tobacco *Includes stop smoking services and interventions, wider tobacco control*	£839,585
Children (non-prescribed) *Includes children 5 to 19 public health programmes, other children's 0 to 5 services non-prescribed*	£6,841,812
Health at work	£343,958
Public mental health	£1,127,273
Miscellaneous public health services *Includes (not exhaustive) dental public health, refugee and asylum seeker health, financial wellbeing, violence prevention*	£2,937,065

Type of expenditure can be separated in to one of three broad categories, as shown in table 3. The Best Value review completed indicated that Nottingham remains an outlier in relation to the high proportion of internal reinvestments.

Table 3: Summary of public health grant allocation in broad categories

	£0.000m	**% of total PH grant allocation**
Staffing and support	£2.300	6.5%
PH Commissioned Services	£25.122	70.8%
Wider Council Services	£8.037	22.7%
TOTAL	£35.459	100%

Public health grant reserves

The public health grant conditions allow for the carrying forward of any unspent public health grant into the next financial year, as part of a ringfenced public health reserve. All the conditions that apply to the use of the grant continue to apply to any funds carried over/public health reserve. The DHSC reserve the right to reduce the public health grant if excessive reserves are maintained.

In line with council policy, from 2022/23 a reserve of 3% is maintained. This supports any in year pressures, new interventions and mitigates impact from late notification of the public health grant allocations. Reserves held in excess of this are considered to support interventions that can improve health and wellbeing not normally commissioned and not requiring recurrent funding. Examples may include innovation, such as commissioning behavioural insights research to better target interventions, or initial pump-priming of interventions, such as developing a mental health reablement service.

5. Conclusion

Focussed activity since 2021 has ensured that Nottingham City Council's public health grant allocation is used effectively to improve the health and wellbeing of the population in line with strategic priorities and can demonstrate eligible and efficient use through recommissioning and redevelopment of service level agreements/contracts.

The delivery of the JHWS priorities through the Place-based Partnership demonstrates a new model of embedding the responsibility for improving the health and wellbeing of the population across system partners, which will be further enhanced by the new Integrated Care Strategy. Ensuring that health and wellbeing are at the heart of the emerging revised Strategic Council Plan will enable greater opportunities for the effective use of the public health grant.

Appendix 1 - Categories for reporting local authority public health spend

<table>
<tr><th>Prescribed functions:</th><th>Non-prescribed functions:</th></tr>
<tr><td>Sexual health services - STI testing and treatment
Sexual health services – Contraception
NHS Health Check programme
Local authority role in health protection
Public health advice to NHS Commissioners
National Child Measurement programme
Prescribed Children’s 0-5 services</td><td>Sexual health services - Advice, prevention and promotion
Obesity – adults
Obesity - children
Physical activity – adults
Physical activity - children
Treatment for drug misuse in adults
Treatment for alcohol misuse in adults
Preventing and reducing harm from drug misuse in adults
Preventing and reducing harm from alcohol misuse in adults
Specialist drugs and alcohol misuse services for children and young people
Stop smoking services and interventions
Wider tobacco control
Children 5-19 public health programmes
Other Children’s 0-5 services non-prescribed
Health at work
Public mental health
Miscellaneous, can include but is not exclusive to:
• Nutrition initiatives
• Accidents Prevention
• General prevention
• Community safety, violence prevention & social exclusion
• Dental public health
• Fluoridation
• Infectious disease surveillance and control
• Environmental hazards protection
• Seasonal death reduction initiatives
• Birth defect preventions
Test, track and trace and outbreak planning
Other public health spend relating to COVID-19</td></tr>
</table>

Appendix 2 – Local Authority Health Profile for Nottingham

Indicator	Period	Nottingham Recent Trend	Nottingham Count	Nottingham Value	Region Value	England Value	England Worst	England Range	England Best
Life expectancy and causes of death									
Life expectancy at birth (Male, 3 year range)	2018 - 20	–	-	76.6	79.2	79.4	74.1		
Life expectancy at birth (Male, 1 year range)	2020	–	-	75.6	78.5	78.7	73.6		3
Life expectancy at birth (Female, 3 year range)	2018 - 20	–	-	81.0	82.7	83.1	79.0		
Life expectancy at birth (Female, 1 year range)	2020	–	-	80.7	82.3	82.6	78.0		
Under 75 mortality rate from all causes (3 year range)	2018 - 20	–	2,917	468.4	342.9	336.5	570.7		221.0
Under 75 mortality rate from all causes (1 year range)	2020	→	1,043	500.1	362.5	358.5	622.8		205.8
Under 75 mortality rate from all cardiovascular diseases (3 year range)	2017 - 19	–	594	99.8	72.1	70.4	121.6		43.6
Under 75 mortality rate from all cardiovascular diseases (1 year range)	2020	→	232	114.8	75.7	73.8	137.1		36.1
Under 75 mortality rate from cancer (3 year range)	2017 - 19	–	940	157.4	131.3	129.2	182.4		7.4
Under 75 mortality rate from cancer (1 year range)	2020	→	306	150.4	128.5	125.1	187.1		3
Suicide rate	2019 - 21	–	94	11.2	10.3	10.4	19.8		4.8
Injuries and ill health									
Killed and seriously injured (KSI) casualties on England's roads	2020	–	116	132.4*	90.3*	86.1*	433.9		24.1
Emergency Hospital Admissions for Intentional Self-Harm	2020/21	↓	775	203.2	189.6	181.2	471.7		41.5
Hip fractures in people aged 65 and over	2020/21	→	225	563	565	529	723		
Percentage of cancers diagnosed at stages 1 and 2	2019	→	386	49.2%	51.7%	55.0%	-	*Insufficient number of values for a spine chart*	
Estimated diabetes diagnosis rate	2018	–	-	75.2%	84.6%	78.0%	54.3%		5%
Estimated dementia diagnosis rate (aged 65 and over) > 66.7% (significantly) / similar to 66.7% / < 66.7% (significantly)	2022	→	2,096	77.8%	64.0%	62.0%	50.3%		
Behavioural risk factors									
Admission episodes for alcohol-specific conditions - Under 18s	2018/19 - 20/21	–	45	21.7	23.9	29.3	83.8		7.7
Admission episodes for alcohol-related conditions (Narrow): New method. This indicator uses a new set of attributable fractions, and so differ from that originally published.	2020/21	–	1,713	666	502	456	805		251
Smoking Prevalence in adults (18+) - current smokers (APS) New data	2021	–	-	16.5%	13.4%	13.0%	22.0%		6.6%
Percentage of physically active adults	2020/21	–	-	64.1%	64.5%	65.9%	48.8%		76.5%
Percentage of adults (aged 18+) classified as overweight or obese	2020/21	–	-	66.9%	66.6%	63.5%	76.3%		
Child health									
Under 18s conception rate / 1,000	2020	→	93	19.3	12.5	13.0	30.4		2.7
Smoking status at time of delivery	2021/22	↓	405	13.0%	11.8%	9.1%	21.1%		3.1%
Baby's first feed breastmilk	2018/19	–	-	58.7%	64.7%	67.4%	43.6%		
Infant mortality rate	2018 - 20	–	68	6.1	4.2	3.9	6.8		1.7
Year 6: Prevalence of obesity (including severe obesity) New data	2021/22	↑	1,075	29.7%	23.4%	23.4%	34.0%		
Inequalities									
Deprivation score (IMD 2019)	2019	–	-	34.9	20.4	21.7	45.0		5.8
Smoking prevalence in adults in routine and manual occupations (18-64) - current smokers (APS) New data	2020	–	-	22.5%	23.6%	24.5%	42.1%		
Inequality in life expectancy at birth (Male)	2018 - 20	–	-	8.4	9.2	9.7	17.0		
Inequality in life expectancy at birth (Female)	2018 - 20	–	-	7.6	7.6	7.9	13.9		
Wider determinants of health									
Children in relative low income families (under 16s)	2020/21	↓	15,694	25.1%	16.1%	18.5%	42.4%		6.2%
Children in absolute low income families (under 16s)	2020/21	↓	11,708	18.7%	12.3%	15.1%	39.2%		5.2%
Average Attainment 8 score	2020/21	–	147,754	46.1	49.6	50.9	42.9		
Percentage of people in employment	2021/22	↑	157,200	70.3%	74.8%	75.4%	62.9%		1%
Homelessness - households owed a duty under the Homelessness Reduction Act	2020/21	–	2,768	21.3	9.8	11.3	26.6		2.7
Violent crime - hospital admissions for violence (including sexual violence)	2018/19 - 20/21	–	620	56.6	32.9	41.9	116.8		12.0
Health protection									
Excess winter deaths index	Aug 2019 - Jul 2020	–	130	18.0%	18.4%	17.4%	50.2%		0.7%
New STI diagnoses (excluding chlamydia aged under 25) per 100,000	2021	↓	-	513	262	394	2,634		103
TB incidence (three year average)	2018 - 20	–	117	11.8	6.9	8.0	43.1		0.6

[Local Authority Health Profiles - Data - OHID (phe.org.uk)]