

Local Government Association (LGA) briefing

Public Health Funding

Wednesday 15 July 2015



- In-year reductions in the public health budget may undermine the objectives to improve the public's health and manage pressure on the NHS. While measures need to be taken to reduce public debt, the reductions announced by the Treasury are based on a misunderstanding of how local authorities have managed their public health grant.
- According to the Treasury, the reduction in funding was based on projected local authority underspends reported in 2013/14. In most cases, the underspend is, in fact, a planned approach to public health service development across several years. The ring-fenced budget and funding levels announced for multiple years were intended to incentivise exactly this approach and councils have therefore been taking time to plan spending, manage their new contracts and disinvest in services that are not delivering.
- Many local authorities use a significant proportion of their public health budget to commission the NHS to deliver sexual health, public health nursing, drug and alcohol treatment and NHS health checks. Councils will therefore have to passport the reductions on to all providers with a consequent impact on the NHS. The Association of Directors of Public Health (ADPH) estimates that councils commission between 40-80 per cent through NHS services. If councils seek to protect these areas, reductions would need to be made from other areas of public health by reducing staff and other programmes, such as weight management and physical activity.
- The practicalities of in-year reductions are challenging as councils have finalised their budgets, contracted with providers and planned spending on an annual basis.
- If these reductions are to be applied in-year, councils should be able to decide how best to find the savings as they are best placed to determine how reduced resources should be used to meet local public health ambitions.
- In future, greater certainty of funding for longer periods would enable local authorities to make strategic decisions in commissioning public health services. It is vitally important to ensure sufficient ongoing funding to allow local authorities to continue to meet their new public health responsibilities beyond 2015/16.
- The Government should remove the public health ring-fence. Its removal is important if we are to take full advantage of the relocation of public health to local government. If public health funding continues to be treated separately from other grants, it may not properly integrate with all of the functions of local government. This will mean that the opportunities that exist within the transfer, for example working with schools to tackle childhood obesity, are not fulfilled.

Briefing

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