

NOTICE OF MEETING

Meeting	Executive Member for Public Health Decision Day
Date and Time	Wednesday, 16th January, 2019 at 2.00 pm
Place	Mitchell Room, Ell Court, The Castle, Winchester
Enquiries to	members.services@hants.gov.uk

John Coughlan CBE
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

AGENDA

KEY DECISION

1. PUBLIC HEALTH SMOKING CESSATION SERVICE (Pages 3 - 12)

This report requests that the Executive Member for Public Health gives approval to spend for the Smoking Cessation Service. The report gives context on why it is important to help smokers to stop and provides information on the proposed future programme.

NON-KEY DECISION

2. REVENUE BUDGET FOR PUBLIC HEALTH 2019/20 (Pages 13 - 24)

To consider a report of the Director of Public Health and the Director of Corporate Resources regarding the Revenue Budget 2019/20.

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact members.services@hants.gov.uk for assistance.

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Public Health
Date:	16 January 2019
Title:	Smoking Cessation Service
Report From:	Director of Public Health

Contact name: Sian Davies, Consultant in Public Health

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1. Recommendation

- 1.1. That the Executive Member for Public Health gives approval to spend, up to a maximum of £11.0m on a new Smoking Cessation Service. The contract will replace the existing contract and is due to commence from 1 October 2019 with a maximum contract term of 5 years (3 years with an option to extend for a period or periods of up to 2 years).

2. Executive Summary

- 2.1. The purpose of this paper is to seek approval to spend up to the maximum value of £11.0m for Smoking Cessation Services equating to up to £2.2m per annum.

- 2.2. This paper seeks to:

- Set out the background and context to smoking cessation services
- Provide an overview of the current contract and service model
- Set out the proposed future model for smoking cessation services and procurement approach
- Give information on the financial implications of this spend

- 2.3. Provision of a Smoking Cessation Service contributes to the County Council's strategic aim: People in Hampshire live safe, healthy and independent lives.

3. Contextual information

Background

- 3.1. The current contract for specialist smoking cessation services is held by Southern Health NHS Foundation Trust. The contract commenced on 1 October 2016 for three years with an option to extend for two years.
- 3.2. Smoking is the most important cause of preventable ill health and premature mortality in the UK. Smoking is a major risk factor for many diseases such as lung cancer, chronic obstructive pulmonary disease (COPD) and heart

disease. It is also associated with cancers in other organs, including lip, mouth, throat, bladder, kidney, stomach liver and cervix.

Smoking is a modifiable lifestyle risk factor; effective tobacco control measures can reduce the prevalence of smoking in the population. Supporting people to stop smoking directly contributes to improving health and wellbeing. Evidence-based, specialist smoking cessation services are the most effective way to quit.

- 3.3. In 2017 it was estimated that in Hampshire 14.4% of the adult population smoked. Estimated rates vary greatly across local districts ranging from 19.8% in Gosport to 9.8% in Fareham. There are also differences in smoking prevalence by socio-demographic groups, with rates being higher in routine & manual workers (25.6%) and adults with serious mental health illness (36.6%).
- 3.4. The Local Tobacco Control Profiles estimate there were 155,414 adult smokers in 2017 in Hampshire. National guidance states that we should aim to have 5% (n=7,771) of these smokers engaging with the service and to make a quit attempt. Guidance states that at least 35% (n=2,720) should achieve a successful 4 week quit. To help reduce the health inequality gap the majority of these should be from high smoking prevalence groups or localities.
- 3.5. The provision of a specialist stop smoking service is an important component of Hampshire's Tobacco Control Strategy. This seeks to reduce the inequality gap caused by smoking through action on three key priorities: Prevention with young people, promoting smoke free communities and helping smokers to stop.
- 3.6. Local authorities are required to collect information on the numbers of smokers setting a quit date and achieving a successful 4 week quit on a quarterly/annual basis. The provider currently does this on behalf of the local authority.
- 3.7. The Hampshire Tobacco Control Strategy 2018 to 2021 states that the societal cost of smoking in Hampshire is £296.7million a year including £68.6million costs to the NHS and £32.9million costs to social care.

Current Programme

- 3.8. The current Specialist Stop Smoking Service contract is due to finish on 30 September 2019.
- 3.9. The re-procurement of this service enables us to review the current service model and build in improvements to the new contract. The landscape has changed in how smokers attempt to quit. More smokers are turning to e-cigarettes and trying to stop without using a specialist service. There is a multitude of online advice and apps that people can access to help them stop smoking. There remains a large cohort of smokers who services may find it more difficult to engage with and support them to quit.

Future Programme

Service model

- 3.10. Given the uncertain financial future, the commissioning intentions and service specification must be adaptable to uncertain future spend, changes in smoking

prevalence within Hampshire, changes in technology and the emergence of e-cigarettes and research into the longer term impact.

- 3.11. Whilst face to face group support with pharmacotherapy is the most effective smoking cessation intervention, face to face individual support with pharmacotherapy, supported use of pharmacotherapy (medication + one follow-up appointment and telephone support) all boost quit rates compared to nothing. There are no effective online support options available to providers and there is only limited evidence on mobile digital applications.
- 3.12. In order to provide a service that is fit for the future, we will be adapting the Stop Smoking Plus model developed by Professor Robert West at University College London. This model offers 3 tiers of support, and is designed to provide value whilst meeting the needs of smokers better. The 3 tiers of support are:
- Specialist support of top quality for smokers who need it and are willing to make the necessary commitment (specialist service)
 - Brief support and a stop-smoking medicine for those who want help but do not require a specialist course (GP/pharmacy)
 - Self support for those who want to stop but do not want professional support (digital / support pack)
- 3.13. This service model is consistent with the principles set out in our lifestyle framework of using the principle of proportionate universalism to address the social gradient in health and associated inequalities by providing the different levels of support required to enable all residents to make healthier lifestyle choices.
- 3.14. The most intensive level of support will be provided to groups most at risk of smoking related ill-health and/or may find it hard to quit with less support. These groups of people include people living in areas of greatest deprivation, routine and manual workers, pregnant women and those with existing ill-health.
- 3.15. The provider will be expected to pro-actively market the service to the target demographic groups using insight and market segmentation and provide a user friendly digital front door as well as other access points to the service.
- 3.16. The payment mechanism has been reviewed and an element of the contract will be block to reflect the wider expectations of the provider in terms of pharmacotherapy budgetary management and professional training. An element of the previous contract, working with a limited number of schools delivering peer education will not be part of the new contract, and will be integrated into the Public Health team's wider health in educational settings workstream.

Planned procurement approach

- 3.17. A full procurement is planned in accordance with the County Council's Contract Standing Orders.
- 3.18. A new service specification has been developed using NICE Guideline; Stop smoking Interventions and Services NG92 published in March 2018 and guidance from Public Health England; Models of delivery for stop smoking services published in September 2017. The service specification describes the population needs, key service outcomes, scope of the service, quality

standards and performance measures and pricing. The service specification will retain the universal offer element for any adult that wants to try and stop smoking.

- 3.19. The Hampshire County Council in-house marketing team are engaging with current smokers in December and January to seek their views on service provision. A soft market testing questionnaire was released to the market in December 2018 and a Market engagement event is being held on 8 January. The intelligence from these activities will inform the development of the final service specification.

4. Finance

- 4.1. It is proposed that the maximum spend under the contract would be £11.0m over the term of 5 years. The Smoking Cessation Service is currently funded through the Public Health grant.
- 4.2. The maximum annual contract value requested in this report, (£2.2m) is the equivalent of the draft budget for the Smoking Cessation Service in 2019/20. Due to the requirement to reduce Public Health expenditure in line with confirmed and planned reductions in the ring-fenced grant the contract will be constructed in a way that provides contractual flexibility to adjust service provision in line with changes in available funding should it be required. Although at present there are no further plans to reduce expenditure on this service to meet the existing savings target.
- 4.3. At the time of writing it is unclear a) whether there will be further reductions in the Public Health grant, beyond those already confirmed / announced or, b) whether the Public Health ring fence will continue. Therefore, any changes in funding in addition to those already known may further affect the resources available for this contract.
- 4.4. The current outcomes only payment mechanism will be amended. One element of the contract will be a block amount; this will be linked to the requirement to market the service, develop digital doorways, telephone triaging and self-support. A training element will also be included. The second element of the payment will be outcomes based.
- 4.5. Whilst a maximum spend for the 5 years has been estimated for this approval the annual spend will be monitored and will need to take into account the value of the annual budget set for these services approved by Full Council in February of each year.

5. Consultation and Equalities

- 5.1. We are currently conducting insight and survey work with current smokers and key stakeholders to ensure the developing model fits with the needs of our local population.
- 5.2. If funding is approved to commission a new Smoking Cessation Service there will be a positive impact for people with disabilities, people during pregnancy and maternity, people living in poverty and those in the most deprived communities across Hampshire. This should help reduce health inequalities. There will be no negative impacts on people with protected characteristics.

- 5.3. Within the service being proposed there will be positive impacts for people with disabilities or who are from the in scope groups.
- 5.4. The service will also focus delivery in the most deprived communities across Hampshire where smoking prevalence is highest. This should help more people to get the benefits from stopping smoking and consequently reduce health inequalities.
- 5.5. Refer to full Equality Statement in Integral Appendix B.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Previous member decision on Specialist Stop Smoking Services commissioning	<u>Date</u>
Direct links to specific legislation or Government Directives	
<u>Title</u> Health and Social Care Act 2012 (s.12) http://www.legislation.gov.uk/ukpga/2012/7/section/12	<u>Date</u> 2013
Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 (regulations 4 and 5), S.I. 2013/351 http://www.legislation.gov.uk/uksi/2013/351/regulation/4/made	
NICE Guideline: Stop smoking interventions and services NG92 Stop smoking interventions and services Guidance and guidelines NICE	2018
Public Health England: Models of delivery for stop smoking services https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/647069/models_of_delivery_for_stop_smoking_services.pdf	2017

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

An Equality Impact Assessment has been carried out; please see link [here](#)

There will be no negative impact on people with protected characteristics.

If funding is approved to commission a new Smoking Cessation Service for Hampshire residents there will be a neutral impact for the majority of people aged 12 years and over and who are currently eligible to access the service.

Within the service being proposed there will be positive impacts for people with disabilities or who are from the in scope groups.

The service will also focus delivery in the most deprived communities across Hampshire where smoking prevalence is highest. This should help more people to get the benefits from stopping smoking and consequently reduce health inequalities.

2. Impact on Crime and Disorder:

- 2.1. By definition, interventions considered to improve and protect the public's health are designed to support the citizen's of Hampshire to live safely and have improved health and wellbeing.

3. Climate Change:

Consideration of climate change and its impacts on the population and its current and future health forms part of the evidence informing interventions to improve and protect the public's health.

The Smoking Cessation Service encourages service users to give up smoking which naturally reduces the amount of harmful smoke been released into the air. This could therefore reduce levels of potentially harmful toxins due to less tobacco been smoked.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Public Health
Date:	16 January 2019
Title:	2019/20 Revenue Budget Report for Public Health
Report From:	Director of Public Health and Deputy Chief Executive and Director of Corporate Resources

Graham Allen, Director of Adults' Health and Care

Contact name: Dr Sallie Bacon, Director of Public Health

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1. Recommendation(s)

To approve for submission to the Leader and the Cabinet:

- 1.1. The revised revenue budget for 2018/19 as set out in Appendix 1.
- 1.2. The summary revenue budget for 2019/20 as set out in Appendix 1.

2. Executive Summary

- 2.1. The purpose of this report is to set out proposals for the 2019/20 budget for Public Health in accordance with the Councils Medium Term Financial Strategy (MTFS) approved by the County Council in September 2018.
- 2.2. The deliberate strategy that the County Council has followed to date for dealing with grant reductions and the removal of funding that was historically provided to cover inflation, coupled with continued demand pressures over the last decade is well documented. It involves planning ahead of time, through a two-yearly cycle, releasing resources in advance of need and using those resources to help fund transformational change.
- 2.3. This strategy has served the County Council, and more particularly its services and community well, as it has delivered transformation programmes on time and on budget allowing maximum planning time and minimising disruption. Put simply, it is an approach that has ensured Hampshire County Council has continued to avoid the worst effects of funding reductions that have started to blight other local authorities.
- 2.4. In line with this financial strategy there were no new savings proposals presented as part of the 2018/19 budget setting process and the budget was balanced through the use of the Grant Equalisation Reserve (GER). Targets

for 2019/20 based on a reduction of approaching 19% in cash limited spend, were approved by the County Council in July 2016 as part of the MTFS to 2020. Proposals to meet these targets were approved by Executive Members, Cabinet and County Council in October and November 2017 and are being implemented through the Transformation to 2019 (Tt2019) Programme.

- 2.5. The report also provides an update on the financial position for the current year within the context that the Public Health grant has been reduced by a further 2.6%, (£1.34m) in 2018/19. Overall the outturn forecast for the Department for 2018/19 is a budget under spend of £0.7m. Although, it should be noted that the budget for 2018/19 includes a draw on the Public Health Reserve of £2.0m.
- 2.6. The proposed budget for 2019/20 analysed by service is shown in Appendix 1.
- 2.7. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2018/19 and detailed service budgets for 2019/20 for Public Health. The report has been prepared in consultation with the Executive Member and will be reviewed by the Health and Social Care Select Committee. It will be reported to the Leader and Cabinet on 1 February 2019 to make final recommendations to County Council on 14 February 2019.

3. Context and Priorities

- 3.1. The current financial strategy which the County Council operates works on the basis of a two year cycle of delivering change to release resources and close the anticipated budget gap. This provides the time and capacity to properly deliver major transformation programmes every two years, with deficits in the intervening years being met from the Grant Equalisation Reserve (GER) and with any early delivery of resources retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures. The model has served the authority well.
- 3.2. The County Council's strategy placed it in a very strong position to produce a 'steady state' budget for 2018/19 and safely implement the next phase of changes through the Transformation to 2019 (Tt2019) Programme to deliver savings totalling £140m.
- 3.3. The Tt2019 Programme is progressing well and to plan, but it is clear that bridging a further gap of £140m is extremely difficult and will take longer to achieve in order to avoid service disruption. The Chief Executive's report entitled Transformation to 2019 – Report No. 5 was presented to Cabinet in December 2018 and outlined the positive progress being made.
- 3.4. The anticipated delay in the delivery of some elements of the programme has been factored into our medium term planning to ensure that sufficient one-off funding exists both corporately and within departments to meet any potential gap over the period. Taking up to four years to safely deliver service changes rather than being driven to deliver within the two year financial target requires the careful use of reserves as part of our overall financial strategy and further emphasises the value of our reserves strategy.
- 3.5. Budget setting for 2019/20 will therefore be different in that the majority of decisions in respect of major changes to the budget were taken early.

However other factors will still affect the budget, such as council tax decisions and inflation, but these will not be as significant as the transformation programme that has already been put in place.

- 3.6. The MTFS approved by the County Council in September 2018 flagged that the expectation was for minimal change to the provisional Local Government Finance Settlement for 2019/20, the final year of the Comprehensive Spending Review (CSR). However, it was acknowledged that the Budget in the autumn could potentially contain some additional information that could impact our planning assumptions.
- 3.7. In overall terms, the announcements in the Budget had very little impact on the revenue position reported in the MTFS, although there were some welcome announcements in respect of one off additional funding for both adults' and children's social care and for highways. Although this funding falls far short of the amount required and is only one off, it does however signal that some of the pressures on local government are being recognised by the Treasury and the hope is that this will feed through to further changes within next years CSR.
- 3.8. The provisional Local Government Settlement announced on 13 December confirmed the grant figures for 2019/20 broadly in line with the four year settlement and there has been no change to the council tax thresholds, with the exception of the police precept. The other key elements of the provisional settlement were:
- The County Council's Revenue Support Grant (RSG) was reduced to zero in 2019/20 as part of the original four year settlement. On top of this a further £1.6m was lost as a result of 'negative RSG' which reduced the top up grant from business rates. The Government has announced that there will be no 'negative RSG' in 2019/20 and this therefore represents a benefit of £1.6m to the County Council next year.
 - A £180m surplus from the business rates levy account will be distributed pro rata to the Settlement Funding Assessment (SFA) which is a proxy for the relative need of each local authority - the County Council's allocation is £1.8m.
 - The continuation of 100% pilots in Devolution Deal Areas and fifteen 75% business rates retention pilots. Hampshire County Council's bid was unsuccessful but Portsmouth, Southampton and the Isle of Wight have had their existing pilot extended, albeit at a lower retention level (2018/19 was 100% retention).
 - £20m has been added to the settlement to maintain the New Home Bonus (NHB) baseline at 0.4% (only growth in new homes above this baseline level attract the NHB). Hampshire will receive approaching £4.9m from the NHB and this is already factored into the MTFS for next year.
 - The provisional settlement confirmed the allocations of adult social care funding announced in the Budget but the Green Paper for adult social care which was originally due to be published in summer 2018 has been delayed further until next year.
- 3.9. The Public Health team have been developing its service plans and budgets for 2019/20 and future years in keeping with the County Council's priorities

and the key issues, challenges and priorities for the Department are set out below.

4. Departmental Challenges and Priorities

- 4.1. The Health and Social Care Act (2012) transferred responsibility for the local leadership of public health from the NHS to upper tier and unitary authorities and conferred on them a new duty to take appropriate steps to improve the health of the people in their area.
- 4.2. A ring-fenced Public Health grant enables local authorities to discharge this responsibility. In December 2017 it was announced that the current ringfence will be maintained until 31 March 2020 and there has not been a change in this formal position since. This therefore continues to be a key assumption on which the future financial position for Public Health is based upon.
- 4.3. As per the November 2015 spending review, there has been, since 2015/16, a programme of reductions in the Public Health grant allocation for Hampshire County Council. The total confirmed cash reduction in grant allocation since 2015/16 up to and including 2018/19 was £6.95m with a further final reduction planned of £1.34m in 2019/20. The programme of grant reduction is expected to total £8.29m by 2019/20; when the remaining grant will be £49.49m.
- 4.4. On 20 December 2018, it was confirmed that the reduction in the Public Health grant for Hampshire in 2019/20 would be £1.34m. The indicative position for 2020/21 remains in line with the announcement in November 2015 in that the grant would be maintained, in cash terms, to the amount announced for 2019/20.
- 4.5. Since 2015/16, against the programmed reduction in grant of £8.29m, the Public Health team are forecast to achieve budgeted savings of £5.82m up to and including the 2019/20 budget reported here. The Public Health team have developed a programme of work to build upon the efficiencies and savings that have already been achieved to meet the remaining expected saving required of £2.47m by 2021/22.
- 4.6. It should be emphasised that the above are cash reductions in the ring-fenced grant. In real terms over the five years the level of reduction is significantly greater. To mitigate this, any inflationary pressures, for example, on staffing costs or existing contracts, have had to be accommodated within the available specific grant income.
- 4.7. The further reduction in the Public Health grant inevitably presents challenges for delivery of the Council's core public health responsibilities and for wider work to improve the public's health. Careful planning, delivery and evaluation of evidence-based interventions will ensure that the available public health resources are focused on the key public health priority areas identified in the Public Health Strategy 'Towards a Healthier Hampshire', and these are set out below.
- 4.8. A key priority is to ensure efficient delivery of the public health mandate to best meet the public health needs of Hampshire's residents and to continue to ensure that these services are providing best value for money. These include the mandated services: the National Child Measurement Programme, (NCMP) delivered through the school nursing service; delivering quality

assured NHS health checks with the aim of both reducing future ill health, particularly dementia and cardio-vascular disease, and the demand for health and social care services; enabling access to comprehensive good value for money sexual health services through transformation providing public health expertise and leadership to NHS commissioners and the Sustainability and Transformation Partnership to inform the planning and commissioning of health services and delivering health protection responsibilities.

- 4.9. A focus on improved outcomes and increased quality in the public health commissioned services remains a priority alongside leadership of public health for Hampshire.
- 4.10. There is compelling evidence that what happens at the start of life is vital in laying the foundations for good adult outcomes. The Healthy Child Programme (0-19) is an evidence based universal prevention and early intervention public health programme that is offered to all families. These services are supported by a mandate that requires universal delivery of five key child development reviews. It supports parents and promotes child development, leading to improved child health outcomes and reduced inequalities while ensuring that families at risk are identified at the earliest opportunity. To ensure that we get the best outcomes for children and families the Public Health team is working in partnership with Children's Services and NHS colleagues to transform and provide collaborative services for children and young people and their families. Effective use of resources will help to maximise the universal nature of the service, as well as to provide an enhanced offer to vulnerable families, to get the best possible outcomes in the six high impact areas, focus on prevention, and early identification of children and families at risk of future health and social problems.
- 4.11. The proportion of our population making unhealthy lifestyle choices, which will impact on their future health and care needs, remains a real public health challenge. These choices already have an impact on public services and lead to considerable costs to the system. This is likely to get worse over time. Focusing on prevention and making a healthy lifestyle 'the norm' for people of all ages is key to keeping people healthy, in employment and independent for longer and to reducing future demand for services. We continue to work to achieve this through appropriate nutrition, reducing obesity, promoting physical activity and supporting people to stop smoking and to drink sensibly. This requires strategic leadership and collaboration to change the system alongside effective services for the population.
- 4.12. With an increasingly older population, tackling social isolation and malnutrition, preventing falls and maintaining mobility in our vulnerable and older residents remain important areas of focus for our work with colleagues in Adult Social Care and for the Demand Management and Prevention Programme.
- 4.13. Domestic abuse is a serious public health problem; Public Health leadership of the strategic partnership is driving work across the system to reduce domestic abuse. The recently recommissioned Domestic Abuse service for victims and perpetrators provides further impetus to this work and has an increased focus on reducing the impacts of domestic abuse on children to prevent long term sequelae and impact.
- 4.14. Poor mental health represents a significant burden of disease in the County and increases the risk of developing physical illness and of premature

mortality. We will continue our work to improve the mental wellbeing of our communities and the focus on preventing suicide. An EU partnership grant focusing on improving male health is enhancing our capacity in this important area. Promoting emotional wellbeing, resilience and good mental health in children is a priority for both our health visiting (through action on maternal mental health and promoting attachment) and school nursing services. Delivery of the updated Emotional Health and Wellbeing Strategy for children and young people will help to drive this agenda forward.

- 4.15. The substance misuse service delivers a robust drug and alcohol treatment system that fully meets the diverse needs of the Hampshire population and empowers and enables people to recover from alcohol and/or drug dependency. Through a transformation programme the newly recommissioned service will take a family approach and deliver a comprehensive treatment service. Wider system work continues to support responsible drinking and promote safe and healthy places for people to live and work.
- 4.16. Sexual Health services and substance misuse services, being demand led, are challenged by the number of patients requiring these services. However, they are continuing to meet the demand through service transformation and shifting more activity from face to face to digital interventions.
- 4.17. The Director of Public Health (DPH) continues to deliver the Health Protection responsibilities through partnership work with Public Health England and NHS England and to ensure delivery of the Joint Strategic Needs Assessment on behalf of the Hampshire Health and Wellbeing Board.
- 4.18. Nationally and within the Hampshire and Isle of Wight Sustainability and Transformation Partnership there is a welcome renewed focus on population health and prevention. The DPH provides leadership to this work programme supported by the Public Health consultant team.
- 4.19. Hampshire County Council agreed an interim partnership to provide the leadership of public health on the Isle of Wight, (IOW). This arrangement was set up in January 2018. Following a review of the function and delivery of the responsibilities the two councils are working together on the shared assumption that a long term partnership is viable.
- 4.20. In October 2016 the Public Health team and Adult Services Department were joined to form the Adults' Health and Care Department. Although Public Health is reported in detail within this report the position is summarised within the Adult Social Care report to provide a departmental wide view for Adults' Health and Care.

5. 2018/19 Revenue Budget

- 5.1. The cash limited budget for 2018/19 was set to fully utilise the ring-fenced government grant for Public Health, together with planned use of £2.0m of the Public Health Reserve.
- 5.2. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.

- 5.3. The expected outturn forecast for 2018/19 is an under spend of £0.7m against the budget that includes both, the in year grant allocation and the budgeted use of £2.0m from the Public Health Reserve. In effect this underspend reflects a lower than originally expected draw on the Public Health Reserve and will therefore be reported at year end as a zero variance on the revenue budget with a greater balance being held on the Public Health Reserve.
- 5.4. As at April 2018, the forecast closing balance of the Public Health Reserve by 31 March 2019, after budgeted use of £2.0m in year was anticipated to be £5.8m. In light of the early realisation of savings plans it is now forecast that the balance at year end will be £6.5m.
- 5.5. The under spend has been achieved by planned work to deliver efficiencies and innovation within existing services in advance of future reductions in funding. This work has included holding vacancies in the Public Health team and making reductions in contractual and non contractual spend.
- 5.6. The budget for Public Health has been updated throughout the year and the revised budget is shown in Appendix 1.

6. 2019/20 Revenue Budget Pressures and Initiatives

- 6.1. For budget planning purposes, the provisional ring-fenced Public Health grant for 2019/20 had been assumed. The provisional grant allocation for 2019/20 is £49.49m for Hampshire County Council, which represents a reduction of £1.34m from the grant awarded for 2018/19. As outlined in paragraph 4.4 above, further cash reductions in grant are not anticipated for future years. To meet the challenge presented by the confirmed reductions in the Public Health grant, the service has been reviewing and re-procuring existing service and contractual commitments to ensure the best use of resources to optimise outcomes for the residents of Hampshire.
- 6.2. The 2019/20 budget is based on the utilisation of £2.93m of the Public Health Reserve to meet the difference between the grant funding and the planned one off and recurring expenditure of £52.42m for the year. The budgeted use of the Public Health Reserve for 2019/20 coupled with the 2018/19 forecast under spend, leaves an anticipated £3.58m within the Public Health Reserve available from 2019/20. This will be utilised to provide short term one-off funding allowing time to further review existing contracts and drive out more sustainable efficiencies.

7. 2019/20 Revenue Savings Proposals

- 7.1. The Public Health function is funded in its entirety from the ring-fenced Public Health grant. Due to this unique funding arrangement the Public Health budget was not subject to savings in the same way as other departments within the County Council were for 2019/20, i.e. through the Tt2019 Programme. The Public Health function has been required to reduce expenditure in line with the planned reductions in the level of grant received by the County Council.
- 7.2. As highlighted earlier within this report the total reduction in the grant level since 2015/16 up to and including 2019/20 has been £8.29m. The savings achieved to date and forecast to be achieved in 2019/20 total £5.82m with

£2.47m forecast to be achieved by 2021/22. In the meantime, there are sufficient resources within the Public Health Reserve to offset the pressure generated from the difference between savings achieved and the level of grant up to 2021/22.

- 7.3. The Public Health team have continued to develop savings in the light of the reducing government grant. The review and re-procurement of existing service and contractual commitments is an on-going process and has resulted in savings in contract values for 2019/20 that have been built into the budget position. Total net savings of £0.92m have been identified and included within the 2019/20 budget.
- 7.4. Rigorous monitoring of the delivery of the programme will continue during 2019/20, to ensure that Public Health is able to stay within its cash limited budget as set out in this report.
- 7.5. This action in developing and implementing the savings programme for 2019/20 means that the County Council is in a strong position for setting a balanced budget in 2019/20. In addition, plans to deliver further savings beyond 2019/20 have been finalised by Public Health. The following table shows the level of savings targeted in each of the next two years (further to those already included within the proposed 2019/20 budget), which will require a subsequent draw from the Public Health Reserve.

	2019/20 £M	2020/21 £M	2021/22 £M
Targeted Saving Profile post 2019/20	0.00	1.99	2.47
Differential between saving achieved and grant reduction requiring draw on Public Health Reserve	2.47	0.48	0.00

- 7.6. By 2021/22 it is anticipated that the Public Health budget will be within the notional available funding announced in the 2015 Autumn Statement, although the targeted savings are loaded toward later years. This is in line with the end dates of the contracts that are planned to be reviewed. In the interim the Public Health Reserve will offset the highlighted funding gap. After funding both the gap outlined above and currently planned non-recurrent expenditure it is anticipated that by March 2021 there will be a balance of £3.01m on the Public Health Reserve.

8. Budget Summary 2019/20

- 8.1. The budget update report presented to Cabinet in December included provisional cash limit guidelines for each department. The cash limit for Public Health in that report was £52.4m which was a £0.5m decrease on the previous year.
- 8.2. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Public Health for 2019/20, including the impact of the 2019/20 pay award, and shows that these budgets are within the cash limit.

CORPORATE OR LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes/No
People in Hampshire live safe, healthy and independent lives:	Yes/No
People in Hampshire enjoy a rich and diverse environment:	Yes/No
People in Hampshire enjoy being part of strong, inclusive communities:	Yes/No

Other Significant Links

Links to previous Member decisions:

<u>Title</u>	<u>Date</u>
Transformation to 2019 – Revenue Savings Proposals (Executive Member for Public Health) http://democracy.hants.gov.uk/ieListDocuments.aspx?CId=595&MId=3138	21 September 2017
Medium Term Financial Strategy Update and Transformation to 2019 Savings Proposals https://democracy.hants.gov.uk/mgAi.aspx?ID=3194#mgDocuments	Cabinet - 16 October 2017 County Council – 2 November 2017
Looking Ahead - Medium Term Financial Strategy https://democracy.hants.gov.uk/ielssueDetails.aspx?Id=10915&PlanId=0&Opt=3#A18687	Cabinet - 18 June 2018 County Council – 20 September 2018
Budget Setting and Provisional Cash Limits 2019/20 (Cabinet) http://democracy.hants.gov.uk/documents/s26900/Budget%20Report.pdf	10 December 2018

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

The budget setting process for 2019/20 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Transformation to 2019 Programme were considered in detail as part of the approval process carried out in October and November 2017 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 4 to 7 in the October Cabinet report linked below:

<http://democracy.hants.gov.uk/mgAi.aspx?ID=3194#mgDocuments>

2. Impact on Crime and Disorder:

2.1 The proposals in this report are not considered to have any direct impact on the prevention of crime, but the County Council through the services that it provides through the revenue budget and capital programme ensures that prevention of crime and disorder is a key factor in shaping the delivery of a service / project.

Climate Change:

a) How does what is being proposed impact on our carbon footprint / energy consumption?

No impact has been identified.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The County Council in designing and transforming its services will ensure that climate change issues are taken into account.

Budget Summary 2019/20 – Public Health

Service Activity	Original Budget 2018/19 £'000	Revised Budget 2018/19 £'000	Proposed Budget 2019/20 £'000
Drugs and Alcohol	9,278	9,278	9,245
Central (*)	2,710	2,675	2,924
Children 5-19	4,036		
Children under 5 (*)	16,566		
Children and Young People (*)		23,990	23,800
Dental	180	180	180
Health Checks (*)	1,447	1,447	1,211
Health Protection (*)	29		
Information and Intelligence	22	22	16
Infection Prevention and Control		29	5
Mental Health and Wellbeing		1,821	2,121
Misc Health Improvements & Wellbeing (**)	5,697	108	108
Nutrition, Obesity and Physical Activity	959	508	515
Older People		866	866
Sexual Health (*)	9,843	9,843	9,218
Tobacco	2,109	2,109	2,209
Net Cash Limited Expenditure	52,876	52,876	52,418

* Includes mandated services

** Specific services include:

- Domestic abuse services
- Mental Health promotion
- Some Children's and Youth Public Health services