

<b>Report of:</b>	Director of Public Health South Tees
<b>Relevant Executive Member:</b>	The Mayor and Executive Member for Adult Social Care and Public Health
<b>Submitted to:</b>	Executive
<b>Date:</b>	20 December 2023
<b>Title:</b>	Public Health Strategy and Grant Allocation
<b>Report for:</b>	Decision
<b>Status:</b>	Public
<b>Strategic priority:</b>	All
<b>Key decision:</b>	Yes
<b>Why:</b>	Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards
<b>Subject to call in?:</b>	Yes
<b>Why:</b>	Not Urgent

**Proposed decision(s)**

That the Executive:

- Endorses the Public Health Strategy.
- Approves the proposed allocation (as set out in table 1, paragraph 13) of the public health grant to wider council services and the implementation of the governance arrangements (including directorate Service Level Agreements) to provide assurance that the grant allocations deliver public health outcomes.
- Approves the ongoing financial rigour of the allocation of the public health grant to wider council services, reviewed on an annual basis.

## Executive summary

This report seeks an Executive decision for Middlesbrough Council to endorse the Public Health Strategy for the next three years, approve the proposed allocation of the public health grant to wider council service areas and the implementation of the governance arrangements (including directorate Service Level Agreements) to provide assurance that the grant allocations deliver public health outcomes, and approve the ongoing financial rigour in the allocation of the public health grant to wider council services on an annual basis.

In common with all other local authorities, Middlesbrough Council receives an annual public health grant allocation from the Department of Health and Social Care (DHSC). The public health allocation for 2023/4 is £18.309m. The public health grant is ringfenced, meaning that it can only be applied where the main and primary purpose is the delivery of public health outcomes. The public health grant conditions set out a combination of prescribed and non-prescribed public health activity against which the use of the public health grant must be reported.

On average, people in Middlesbrough are less healthy than those in other parts of the North East and compared to the England average. Middlesbrough's communities have wide ranging health and wellbeing needs which varies significantly between different groups of the population and geographically across the town.

In addition to being allocated to only eligible activity, the public health grant must be expended efficiently and effectively to address evidence-based health and well-being needs. It must also be allocated to ensure the greatest positive impact on health inequalities and health and wellbeing outcomes for Middlesbrough residents.

The Public Health Strategy details the key priorities for Public Health over the next three years giving clarity to the public health outcomes that will be delivered both by Public Health and the investment of the public health grant in wider council services. The public health grant will contribute to the achievement of these outcomes and as such must be allocated appropriately.

## Purpose

1. The Public Health Strategy details the key programmes for Public Health over the next three years clarifying the public health outcomes that will be delivered directly by Public Health and through whole council action. The Strategy outlines the principles and processes for the allocation of the public health grant and how each directorate will support the achievement of the public health outcomes. For each Council area, this allocation and support is underpinned by a Service Level Agreement and governance arrangements to provide assurance spend is in line with grant conditions and public health outcomes.

- Approval is sought to endorse the Public Health Strategy and approve the approach for the allocation of the Public Health Grant to the wider council ensuring spend is in line with the grant conditions.

### Background and relevant information

- Public Health South Tees have developed a Programme Framework that aims to describe the key areas of action and how we will operate as a team with partners and communities. The Framework articulates five programmes, four core approaches, and three levels of intervention across the life-course. This is shown in Figure 1 below.

Figure 1. Public Health South Tees Programme Framework

Five Programmes	Four Core Approaches	Three Levels of Intervention
<ul style="list-style-type: none"> <li>• Creating environments for healthy food choices and physical activity</li> <li>• Protecting health</li> <li>• Preventing ill-health</li> <li>• Reducing vulnerability at a population level</li> <li>• Promoting positive mental health and emotional resilience</li> </ul>	<ul style="list-style-type: none"> <li>• Address health inequalities with a determined focus on the best start in life</li> <li>• Better use of intelligence to inform decision-making</li> <li>• Building purposeful relationships with key Partners</li> <li>• Improved financial efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Civic-level:</b> healthy public policy</li> <li>• <b>Service-level:</b> evidence-based, effective, efficient and accessible services</li> <li>• <b>Community-level:</b> family of community centred approaches &amp; place-based working for population-level impact</li> </ul>

- This framework will ensure that we establish clear perspectives and contexts through which we consider the development of our programmes. The aim of the framework is to build these perspectives and critical areas of consideration into all working practices. In many ways we already work in this way, but it is not systematic – this is an attempt to codify and ensure best practice in how we work.

- All programmes need to consider and build into their plans and ways of working:

- **Core Approaches** - each programme will be developed with a clear consideration of how we can better reduce health inequalities and a focus on best start in life; informed by intelligence and consideration of available resources and the development of purposeful relationships with partners with shared interests;
- **Three levels of intervention across the life course;** using the population intervention triangle and considering interventions at:
  - Civic level, in particular health in all policies, incorporating population health considerations into decision-making across sectors and policy areas; based on the recognition that the greatest health challenges are complex and often linked through the social determinants of health;
  - Community, acknowledging that wellbeing is built through the assets, relationships and solutions that lie in communities; also considering that how we behave and operate can build wealth and capacity in our communities;
  - Services, ensuring all services are evidence-based, effective, efficient, and accessible and connected to lived experience and communities.

6. Local authorities, via the Director of Public Health, are statutorily responsible for improving the health of their local population and reducing health inequalities, under the Health and Social Care Act 2012.
7. To support this duty, a ring-fenced public health grant is provided for expenditure where 'the main and primary purpose is in support of the delivery of the strategic public health outcomes.' The public health grant allocation for 2023/4 for Middlesbrough is £18.309m.
8. The public health duty is expected to be executed through the delivery of mandated and non-mandated functions that best meet the needs of the local population (appendix 1). These needs are informed by the Joint Strategic Needs Assessment and the Joint Health and Wellbeing Strategy.
9. Middlesbrough Council is required to produce an annual Statement of Assurance, which demonstrates that the public health grant has only been applied to eligible expenditure in line with the legislative requirements of its intended purposes and as set out in the grant determination letter. The returns must be certified via the Director of Public Health and Chief Executive (or the authority's s151 Officer).
10. Health inequalities exist in Middlesbrough. The population of Middlesbrough has a lower life expectancy when compared to regional and national averages. Our residents can also expect to live a shorter proportion of their lives in good health. People experiencing the greatest deprivation have the shortest life expectancy, living on average 13 years less than those in the most affluent wards. The trends of other key outcomes, such as proportion of children living with overweight or obesity and ill-health attributed to smoking and substance addiction, are worsening. This demonstrates the importance of focused investment based on detailed insight and evidence, and cross council working, to ensure that health impacts are considered in all decision making to contribute towards reducing this significant inequality gap.
11. The Public Health South Tees Strategy sets out five priority areas for collaborative action to improve health and reduce inequalities in Middlesbrough as outlined in figure 1. The public health grant is being invested to support the outcomes considered in the Strategy. The planned use of the public health grant allocation must be assessed as being an effective and efficient use of the resource available to ensure:
  - The effective delivery of all prescribed/mandated public health services;
  - The delivery of activity identified as being required to address the five priority programmes set out within the Public Health Strategy;
  - The delivery of relevant Public Health activity identified as being required to address the Mayor's Strategic priorities; and
  - All grant expenditure is eligible, as per public health grant conditions.
12. Improvement to the health and wellbeing of the population is delivered through a combination of approaches: understanding the needs of the population through insight gathering and intelligence; influencing system policy; and nurturing collaborative and integrated approaches that build a common purpose around tackling our health inequalities. The public health grant will be used to support a breadth of services against strategic outcomes to ensure equity of access, cover different levels of prevention and reduce inequalities.

13. Discussions between Public Health and wider council services have determined service areas that are eligible to be funded from the public health grant, and which will contribute to the delivery of priority Public Health outcomes established through the Public Health Strategy.

**Table 1. Public health grant allocated to wider Council services (2023/4)**

<b>Directorate</b>	<b>Public Health Grant allocated 2023/4* (£m)</b>	<b>Contribution to PH outcomes (examples)</b>
Adult Social Care and Health Integration	£1.004	<ul style="list-style-type: none"> <li>- Increasing referrals into stop smoking services for at risk groups (e.g., people living with a learning disability, long-term condition, or diagnosed mental health condition; older people; carers; homeless).</li> <li>- Working collaboratively to develop in reach interventions to address health needs of inclusion health groups within substance and homeless provision.</li> <li>- Increasing physical activity levels of older residents in care homes reducing falls and hospital admissions.</li> </ul>
Children's Care	£2.879	<ul style="list-style-type: none"> <li>- Increasing referrals into sexual health services and substance services.</li> </ul>
Education and Partnerships	£0.566	<ul style="list-style-type: none"> <li>- Increasing awareness and knowledge in educational settings to support outbreak management and increase vaccines uptake in CYP.</li> <li>- Robust preventative health offer delivered from Family Hubs (e.g., stop smoking clinics, LARC clinics, screening and immunisations).</li> <li>- Family Hubs and Children's Centre's to be UNICEF Baby Friendly Initiative accredited.</li> <li>- Parenting programmes to embed emotional health and wellbeing of parent/child.</li> <li>- Collaborative partnership delivery model for the 0-19 Healthy Child Programme.</li> </ul>
Regeneration	£0.457	<ul style="list-style-type: none"> <li>- Maximising health gains and creating health-promoting environments using Health Inequality Impact Assessments as part of planning process, policy and decision making.</li> <li>- Supporting the implementation of the Healthy Weight Declaration through ensuring food and drinks provided at public events include healthy provisions and support local food retailers.</li> <li>- Reducing access to the means of suicide in the built environment.</li> <li>- Housing needs assessment to include needs of vulnerable client groups including accessing recovery support.</li> <li>- Supporting an increase in breastfeeding through promotion of breastfeeding welcome in museums, parks, and town centre buildings.</li> </ul>
Environment and	£0.920	<ul style="list-style-type: none"> <li>- Increasing access to healthy food and physical activity opportunities through referral to Holiday Activities and Food Programme and delivery from community hubs.</li> </ul>

Directorate	Public Health Grant allocated 2023/4* (£m)	Contribution to PH outcomes (examples)
Community Services		<ul style="list-style-type: none"> <li>- Reduce social isolation and loneliness through engagement with Age Friendly and Dementia Friendly programmes.</li> <li>- Maximising health gains and creating health-promoting environments using Health Inequality Impact Assessments as part of transport planning process, policy and decision making.</li> <li>- Reduce communicable disease outbreak and increase vaccine uptake in communities through use of community health champions and screening and immunisations offer in community venues.</li> </ul>
Finance	£1.006	<ul style="list-style-type: none"> <li>- Support reduction in poverty through increasing access to financial support and benefit advice.</li> <li>- Support access to appropriate housing and support services for inclusion health groups (as part of Housing Needs Assessment)</li> </ul>
Legal and Governance Services	£0.458	<ul style="list-style-type: none"> <li>- Support health and wellbeing, specifically, mental health in the workplace</li> <li>- Supporting vaccine uptake in adults</li> <li>- Health in all policies approach to ensure impact on health and health inequalities considered in all decision making</li> <li>- Development of Community Wealth Building Charter</li> </ul>
<b>Total</b>	<b>£7.290</b>	

14. For any internal investment, Service Level Agreements establish the purpose of the Public Health Grant allocation and the arrangements for joint working and whole council action. The SLA's demonstrate the contribution of each directorate to achieving outcomes aligned to the five priority programmes and the broader framework. The internal investment's will be subject to regular monitoring as part of governance arrangements including quarterly monitoring meetings and biannual review at a Public Health Grant Oversight Board. Any future Public Health Grant allocation will be agreed during budget setting and in response to future Public Health priorities.
15. Table 2 below summarises the use of the Public Health Grant split by direct Public Health element and whole council action as described in this paper. Additional external income generated in support of programme delivery is included and described in more detail in the Strategy.

**Table 2. Public health grant and external funding allocated to the Programme Framework (2023/4)**

	PH element (£m)	Whole Council Action (£m)	External Funding (£m)	Notes (External Funding)
<b>Five Programmes</b>				

	<b>PH element (£m)</b>	<b>Whole Council Action (£m)</b>	<b>External Funding (£m)</b>	<b>Notes</b> (External Funding)
Creating environments for healthy food choices and physical activity	£0.262	£0.321	£0.932	YGT funding to 03/2025
			£0.117	BCF MUSTeam (reviewed and renewed annually)
Protecting health	£1.165	£0.130		
Preventing ill-health	£1.364	£0.094		
Reducing vulnerability at a population level	£3.938	£1.103	£0.550	CF funding to 03/2025;
			£0.288	ICB funding to 03/2026
Promoting positive mental health and emotional resilience	£0.137	£0.394	£0.195	Headstart funding to 08/2024
Overheads/Staffing	£0.876	£1.459		
<b>Four Core Approaches</b>				
Better use of intelligence to inform decision-making	Included in overheads/ staffing		£0.499	HDRC (50%) - funding to 03/2029
Address health inequalities with a determined focus on the best start in life	£3.278	£3.384	£1.067	Holiday Activities Fund to 03/2025
Building purposeful relationships with key Partners	Included in overheads/ staffing			
Improved financial efficiencies	Included in overheads/ staffing			
<b>Three Levels of Intervention across the life-course</b>				
Civic-level – healthy public policy	Included in overheads/ staffing			

	<b>PH element (£m)</b>	<b>Whole Council Action (£m)</b>	<b>External Funding (£m)</b>	<b>Notes</b> (External Funding)
Service-level – evidence-based, effective, efficient, and accessible services	Included in Five Programmes			
Community-level – place-based working for population-level impact		£0.465		
<b>Total:</b>	<b>£11.020</b>	<b>£7.289</b>	<b>£3.648</b>	

### **What decision(s) are being recommended?**

That the Executive:

- Endorses the Public Health Strategy.
- Approves the proposed allocation (as set out in table 1, paragraph 13) of the public health grant to wider council services and the implementation of the governance arrangements (including directorate Service Level Agreements) to provide assurance that the grant allocations deliver public health outcomes.
- Approves the ongoing financial rigour of the allocation of the public health grant to wider council services, reviewed on an annual basis.

### **Rationale for the recommended decision(s)**

16. The Public Health Strategy outlines the key priorities for public health over the next three years giving clarity to the public health outcomes that will be delivered through the programme approach and through whole council action.
17. To support delivery of the Public Health Strategy, the Council receives a ring-fenced public health grant which must only be used where the main and primary purpose is public health.
18. Middlesbrough Council is required to produce an annual Statement of Assurance, which demonstrates that the public health grant has only been applied to eligible expenditure in line with the legislative requirements of its intended purposes and as set out in the grant determination letter.
19. Without robust arrangements in place as outlined in the report, there is a significant risk to non-compliant use of the public health grant. Failure to comply with the grant conditions or provision of the requisite level of assurance to the Secretary of State could result in the grant payments being reduced, suspended, or withheld. Repayment of whole or part of the grant monies paid may also be required, which would have a significant impact on the overall financial position and reputation of the Council.

### **Other potential decision(s) and why these have not been recommended**



20. There are no other potential decisions to be considered. Failure to comply puts Middlesbrough Council at significant financial and reputational risk.

### **Impact(s) of the recommended decision(s)**

#### ***Legal***

21. The public health grant is paid in accordance with Section 31 of the Local Government Act 2003. The grant can be used for both revenue and capital purposes.

22. The grant can be used to contribute to other sources of funding so long as it is used for the purposes outlined in the report and the authority must be satisfied that the functions have a significant impact on public health outcomes (as outlined in the Public Health Strategy).

23. It is the responsibility of the Director of Public Health and Chief Executive or S151 Officer to certify that the amounts shown on the Return Outturn report, which must be submitted to the Secretary of State on an annual basis, have been spent in accordance with the grant terms and conditions. As stated in paragraph 20., failure to comply with the grant conditions will have significant financial and reputational implications for the local authority.

#### ***Strategic priorities and risks***

24. The Public Health Strategy does not require any change to the Council's existing policy framework at this stage. However, as part of the public health grant allocation to wider council services, a key element will be the development and implementation of Health Inequality Impact Assessments as part of wider council decision making processes. This will require further considerations, collaborative working and in time an additional paper to be brought back to the Executive for approval.

25. The Public Health Strategy contributes positively towards the vision for Middlesbrough as outlined in the Mayor's Plan.

26. There are some significant risks with regards to the public health grant allocation that need to be considered. Ineligible spend can be recovered by DHSC and in some cases backdated, this would create an additional pressure on the General Fund. The use of the public health grant allocation as set out in this report is considered an eligible use of the public health grant and fully in line with public health grant conditions. Forecasted and actual public health grant expenditure will be submitted to the Department for Levelling Up, Housing and Communities, and shared onwards with DHSC. This return must be accompanied by a statement signed by the Director of Public Health and the Chief Executive/S151 Officer confirming that the grant has been spent in accordance with the grant conditions.

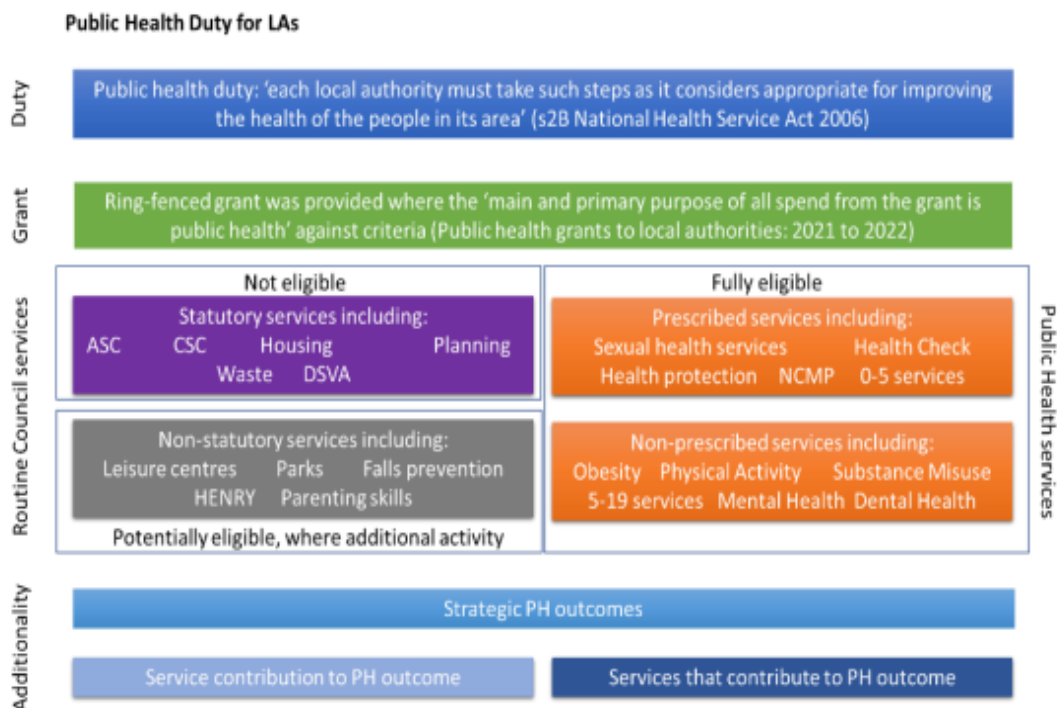
#### ***Human Rights, Equality and Data Protection***

- 27. There will be no negative, differential impact on protected groups and communities.
- 28. An Impact Assessment is not required.
- 29. A DPIA is not required as this report does not relate to the collection or use of any personal/identifiable data.

**Financial**

- 30. As outlined in the report there is a statutory requirement to improve the health of the population and reduce inequalities in Middlesbrough via the execution of a ring-fenced public health grant. The allocation for 2023/4 is £18.309m.
- 31. This report seeks endorsement of the Public Health Strategy and approval for the receipt of and proposed allocation against the total value of the 2023/4 public health grant to wider council services which has been incorporated within the Medium-Term Financial Plan (MTFP) and is in-line with the public health grant conditions.
- 32. All expenditure must be in line with the principles and processes set out in the model for Public Health grant expenditure (figure 2). This framework aims to ensure that the public health grant is utilised based on an evidenced-based understanding of health and wellbeing needs; prioritising prevention; and delivering best value, including a process for continuous improvement.

**Figure 2. Model for public health grant expenditure**



- 33. The public health grant must be used only for meeting eligible expenditure incurred or to be incurred by local authorities for the purposes of their public health functions as specified in section 73B(2) of the National Health Service Act 2006 ('the 2006 Act').

34. A local authority must, in using the grant have regard to the need to reduce inequalities between the people in its area with respect to the benefits that they can obtain from that part of the health service provided and have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services, based on an assessment of local need and a plan which has been developed with local health and criminal justice partners.
35. The allocation of the grant to wider council services will be underpinned by robust governance arrangement, including Service Level Agreements, and will contribute towards the MTFP and financial management of the overall council budget.
36. As outlined, the Public Health Strategy sets out the approach and key priorities (programmes) for the expenditure of the public health grant over the next three years. The Strategy outlines how the Council will assure itself that the public health grant is spent in support of strategic priority areas, maximising the positive impact on health outcomes, and reducing inequalities in accordance with the ring-fence grant conditions whilst supporting best value.
37. If the public health grant reduces/increases in future years, the service will need to realign the budget to ensure no financial pressures arise; this will include allocations to wider council services.
38. The public health grant is subject to several external grant reporting processes which are detailed in the report; it is essential that any expenditure is in line with the grant conditions and that reporting requirements are met to ensure no risk arises.
39. The public health grant conditions state that if at the end of the financial year there is any underspend, local authorities may carry these over as part of a public health reserve into the next financial year. In using those funds in future years, the local authority still needs to comply with all grant conditions.

## Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Subject to Executive approval, officers will:		
<ul style="list-style-type: none"> <li>- Establish governance arrangements with each directorate to monitor the actions outlined in the Service Level Agreements</li> </ul>	Lindsay Cook / Rebecca Scott	March 2024
<ul style="list-style-type: none"> <li>- Allocation of budgets and actuals to the wider council services</li> </ul>	Kirsty Cann	March 2024

## Appendices

1	Mandated and Non-Mandated Public Health Functions
2	Public Health South Tees Strategy
3	Service Level Agreement – Regeneration
4	Service Level Agreement – Environment and Community Services
5	Service Level Agreement – Adult Social Care
6	Service Level Agreement – Children’s Services
7	Service Level Agreement – Finance
8	Service Level Agreement – Legal and Governance Services

## Background papers

No background papers were used in the preparation of this report.

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