

## Scrutiny Committee

Meeting to be held on Thursday, 13 April 2017

Electoral Division affected:  
(All Divisions);

## Public Health Savings Update

Contact for further information:

Clare Platt Tel: 07876 844627, Head of Service. Health Equity, Welfare and Partnerships. clare.platt@lancashire.gov.uk

### Executive Summary

As part of the savings within the Public Health Service a number of externally procured services have been highlighted as areas where savings can be made. This report provides an update on progress toward achieving those savings and sets out the steps being taken to deliver the savings which are yet to be delivered.

### Recommendation

The Scrutiny Committee is asked to note the contents of the report.

## Background and Advice

On the 26th November 2015 the Deputy Leader of the County Council, County Councillor David Borrow, presented the "Money Matters" financial report, covering the current financial position, the financial outlook and medium term financial strategy (MTFS), as well as proposals to address the funding gap. A number of Budget Option Proposals (BOPs) were considered and agreed. In addition Public Health identified areas from within the service where additional savings could be made (service offer) the proposals were to deliver savings over a three year period from 2015/16, with the savings delivered by 31.03.18. These savings were proposed mainly to address the reduction in the national public health grant received by the Council.

## Public Health Savings

The Public Health Savings proposed covered:

- Restructures of services within Public Health (Staffing savings);
- Re-design and procurement of public health services

This report provides an update on savings delivered so far.

## Public Health Contracts

A cumulative savings of £11.792m is included in the current plans to be delivered by March 2018. The savings will be delivered by a mixture of re-procurement of whole services, contract variations and through decommissioning a number of historic Public Health Services which were part of the Primary Care Trust (PCT) legacy prior to 2014 when the responsibility for Public Health transferred to LCC.

### Update on savings

The Substance Misuse, Tobacco, Sexual Health and Healthy Lifestyles contracts have all been re-procured within a reduced financial envelope, budget monitoring shows a pressure in 2016/17 of approx. £0.911m due to delays in the Substance Misuse re-procurement however this will be achieved in full in 2017/18. This delay has been offset by the early delivery of savings on other contracts amounting to £1.160m. The profile of the saving targets are set out below, in Table 1

**Table 1**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>TOTAL</b>
<b>Savings Target</b>	<b>-3.464m</b>	<b>-4.418m</b>	<b>-3.910m</b>	<b>-11.792m</b>
<b>February Monitoring Savings Update</b>	<b>-3.464m</b>	<b>-4.667m</b>	<b>-3.661m</b>	<b>-11.792m</b>
	<b>0.000m</b>	<b>-0.249m</b>	<b>0.249m</b>	<b>0.000m</b>

### Ongoing issues

The Healthy Child Programme (HCP), is the main universal health service for improving the health and wellbeing of children. The responsibility for this programme was transferred from NHS England to County Council in October 2015 to be discharged as part of the Council's public health statutory duties. The programme is usually considered in two parts:

- from pregnancy to age 5, which is led by health visitors
- from ages 5 to 19, which is led by school nurses

Due to a number of issues relating to the services for our children, young people and families, there has been a delay in being able to carry out this full procurement exercise.

In February a decision was taken by the Deputy Leader, Cabinet Member for HWB and Cabinet Member for C, YP & F to offer a 1 year contract extension to the current providers Blackpool Teaching Hospitals (BTH) and Lancashire Care Foundation Trust (LCFT). A full procurement exercise, including the achievement of remaining savings of £1.7m will be completed by April 2018.

### Consultations

N/A

**Implications:**

This item has the following implications, as indicated:

**Finance**

As outlined in the report there is a risk to Lancashire County Council being able to deliver the savings of £1.7m in 2017/18 if the current provider is unwilling or unable to work within the new reduced financial envelope.

**Risk management**

A risk strategy is in place and this is closely monitored through the MTFS.

**Local Government (Access to Information) Act 1985****List of Background Papers**

Paper	Date	Contact/Tel
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Reason for inclusion in Part II, if appropriate

N/A