

**Report for Health and Adult  
Social Care Policy and Scrutiny  
Committee Task Group**

**Public Health Expenditure and  
Outcomes**

**February 2016**

## Contents

Contents .....	1
Introduction.....	2
Public Health Spend in York .....	2
Average spend per head of population .....	2
Breakdown of public health expenditure .....	3
Public Health expenditure per service user.....	5
Public health expenditure in relation to deprivation.....	6
Spends v Outcomes .....	8
Construction of SPOT charts .....	8
Public health expenditure v overarching public health indicators.....	10
Specific expenditure v specific outcomes.....	10
Uses of the SPOT tool .....	14
Caveats about using SPOT tool .....	14
Changes to public health expenditure: 2015/16 .....	15
Summary and Recommendations .....	16
Summary of Key Points .....	16
Recommendations.....	17
Appendices .....	19
Index of Tables and Charts.....	19
SPOT chart for Physical Activity spend v % Utilisation of outdoor space for health / exercise reasons. ....	20
SPOT chart for STI testing spend v chlamydia detection rate .....	21
SPOT chart for smoking cessation spend v smoking prevalence (R&M) .....	22
SPOT chart for overall public health spend v healthy life expectancy for men .....	23
SPOT chart for overall public health spend v healthy life expectancy for women ...	24

## Introduction

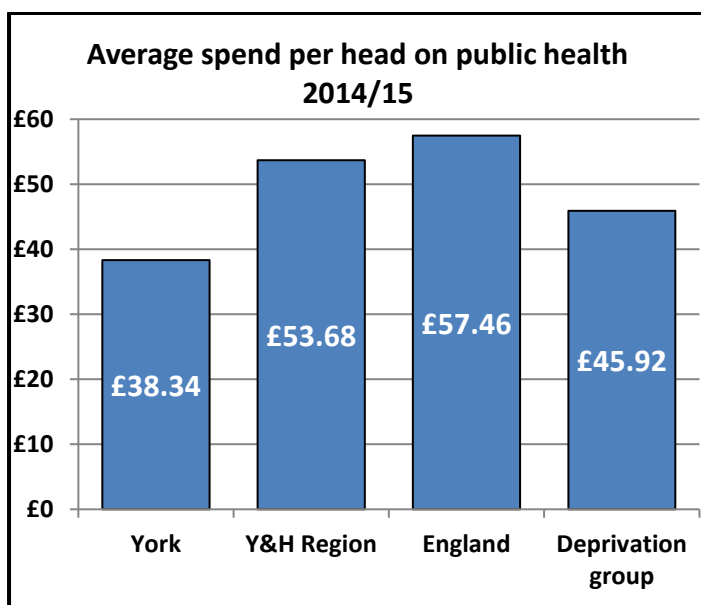
The purpose of this report is to look at the public health expenditure in the City of York Council is spent in relation to the public health outcomes achieved. The report uses the Public Health England (PHE) Spend and Outcomes Tool (SPOT). This gives an overview of spend and outcomes for York, benchmarked against all other local authorities in England. It uses 2014/15 actual spend against the latest public health outcome data. The SPOT tool itself can be found [here](#).

## Public Health Spend in York

### Average spend per head of population

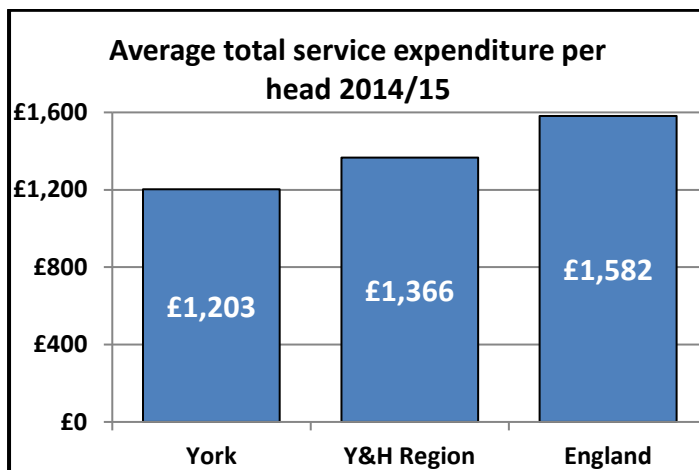
The average spend per head of population on public health in York in 2014/15 was £38.34, which is lower than regional, national and deprivation group averages.

Figure 1: 2014/15 Public Health spend per head.



The expenditure per head of population on all local authority services in York in 2014/15 was £1,203, which is lower than regional and national averages.

Figure 2: 2014/15 Total council spend per head 2014/15



### Breakdown of public health expenditure

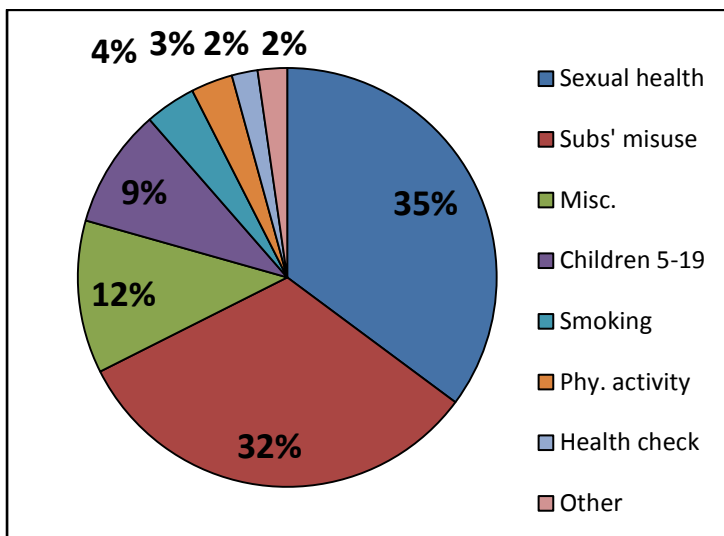
A total of £7.76 M was spent in 2014/15 in York. The biggest areas of spend were sexual health (£2.7M) and substance misuse (£2.5M).

Figure 3: Breakdown of York public health spend 2014/15

Public Health Area	York Total Spend 2014/15	
	£ (thousand)	%
Sexual health	£2,729	35%
Substance misuse	£2,516	32%
Misc. pub health	£916	12%
Children 5-19	£714	9%
Smoking	£305	4%
Physical activity	£250	3%
NHS health check	£155	2%
Obesity	£81	1%
Public health advice	£72	1%
Health protection	£17	0%
NCMP	£6	0%
<b>Total</b>	<b>£7,761</b>	<b>100%</b>

It can be seen that about 2/3 of the Public Health Budget was spent on sexual health and substance misuse services.

Figure 4: Percentage breakdown of the public health spend in York in 2014/15



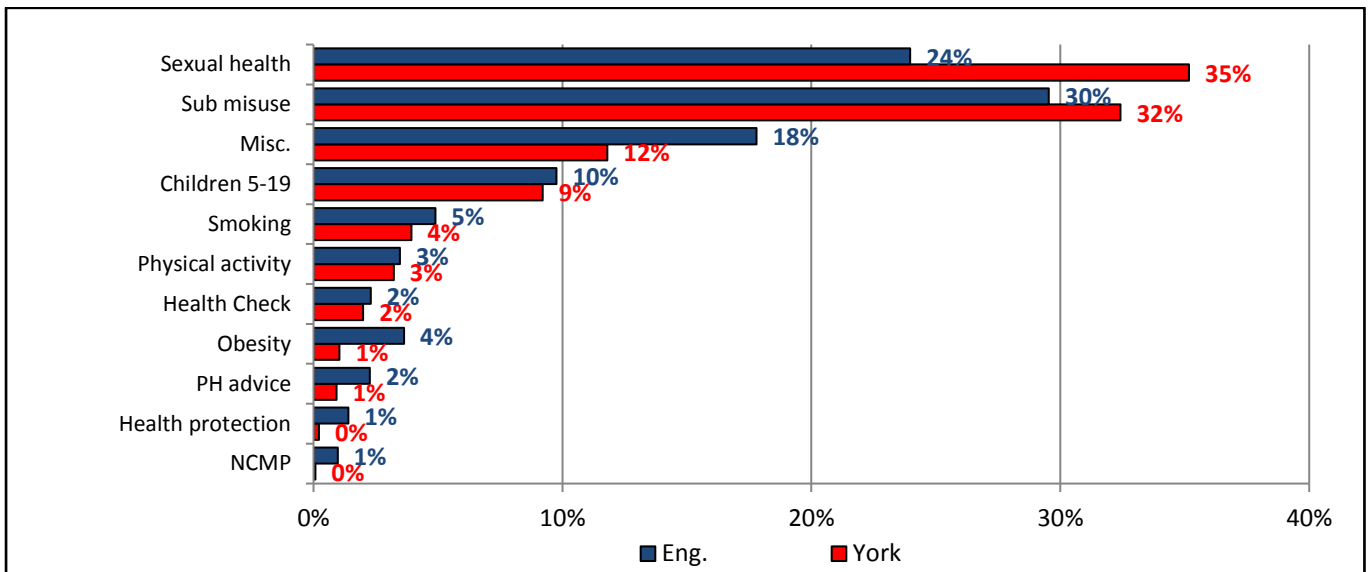
12% of the public health spend (£915,173) was categorised as miscellaneous. This is made up as follows:

- Contribution to Adult Social Care: £416,000
- Staffing: £392,906
- Dental Health Contract: £43,604
- Spend on Soil Association Project: £41,961
- Share of Recharges: £20,702.

Figure 5 shows the proportion of the public health budget spent on each broad area of expenditure for York compared with the national average. Key differences are:

- York spends a higher proportion on sexual health (35% v 24%)
- York spends a slightly higher proportion on substance misuse (32% v 30%)
- York spends a lower proportion on obesity programmes (1% v 4%)
- York spends a lower proportion on miscellaneous programmes (12% v 18%)

Figure 5: Proportion of Public Health Budget spent on each area. 2014-15. York v England.



York has a higher percentage of the population who are aged 20-24 compared with the national average (11.1% v 6.6%) and this may be one of the factors accounting for a greater share of the public health budget being spent on sexual health services.

It has already been noted that the overall public health spend per head of population is lower in York compared with the national average. If the spend per head of population on individual public health programmes for York is compared with the national average there is only one area where York has a higher than average spend and that is on contraception (£4.93 per head v £3.91 per head nationally). It transpires that the City of York Council public health team have been funding some activity for contraception for medical reasons which should have been funded by the CCG and there are plans in place to address this anomaly and reduce council spending in this area.

**Public Health expenditure per service user.**

For some public health programmes in York where clear service user activity data is available, it is possible to calculate the cost per service user of providing the programme. For example, the cost per service user in structured substance misuse treatment services in 2014/15 was £1,858,20 and the cost per service user for

smoking cessation services was £623,26<sup>1</sup>. Monitoring these figures over time will enable us to identify whether the efficiency of particular programmes is improving.

**Figure 6: Cost per service user for selected public health programmes 2014/15**

Programme	Spend 2014/15	Total clients in treatment 14/15	Spend per client in treatment
Substance Misuse	£2,516,000	1,354	£1,858.20
Smoking	£268,000	430	£623.26
Sexual Health (all patients seen)	£2,729,000	8,549	£319.22
Sexual Health (York residents only)	£2,729,000	5,829	£468.18

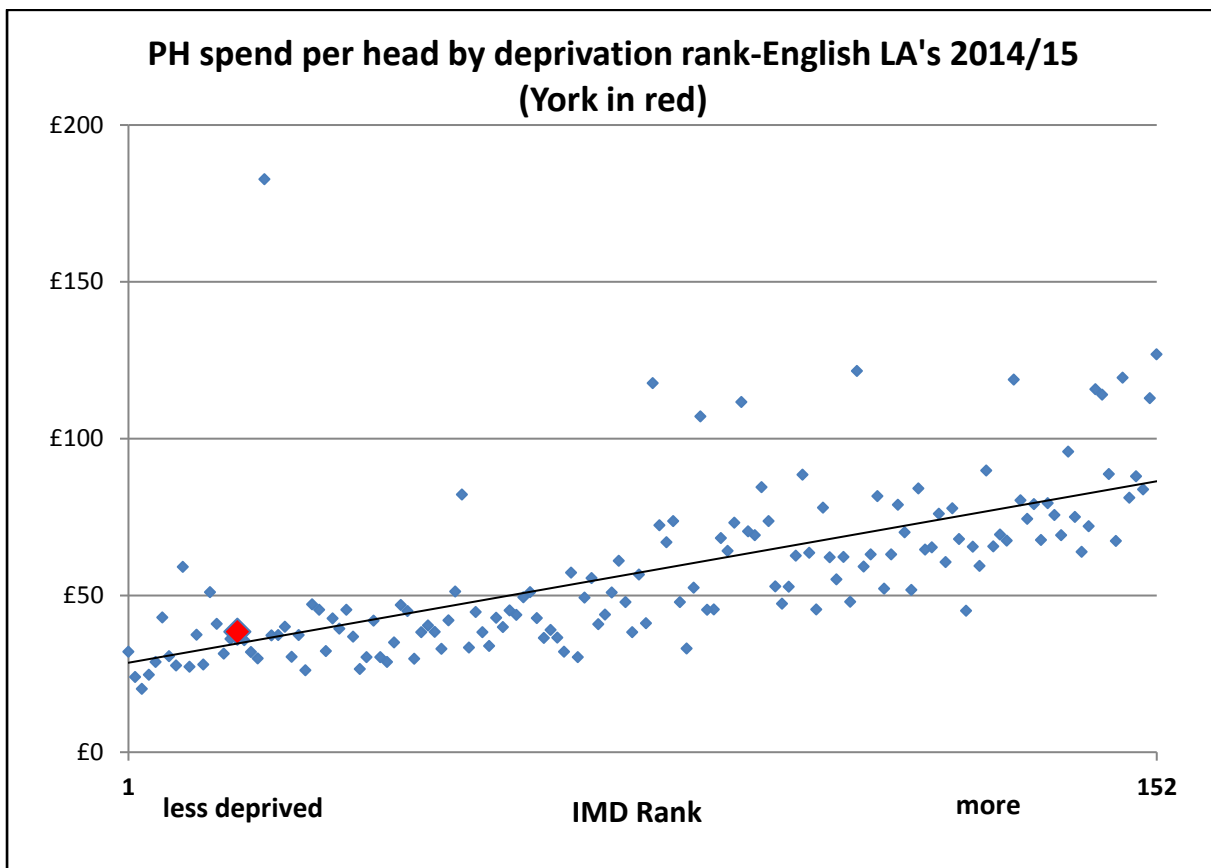
### Public health expenditure in relation to deprivation.

If public health expenditure per head for each local authority in England is plotted against the deprivation score for the local authority we can see a pattern whereby spend tends to increase as deprivation increases.

York's position is marked in red on the chart. York is at the 'lower spend-lower deprivation' end of the scale. York has the 40<sup>th</sup> lowest spend per head and is the 17<sup>th</sup> least deprived local authority (out of 152).

<sup>1</sup> This figure should not be confused with the 'cost per quitter' figures provided in previous scrutiny reports. For the purposes of this section we are looking at how many service users engage with each programme. For smoking cessation programmes this is the number of people setting a quit date. When looking at outcomes we would look at the number of people actually quitting smoking. The 'cost per quitter' in York is £887 which is double the national and regional averages.

Figure 7: Public Health spend per head by deprivation rank-English LA's 2014/15



It can be seen that there are some local authorities who are 'outliers' in the sense that their spending is disproportionately high compared with their level of deprivation. For example the City of London is the 21<sup>st</sup> least deprived local authority, only 4 places away from York in the rankings, but around £182 per head is spent on public health compared with the £38 per head spent in York. Many of the outliers are in the London area.

In the SPOT tool York is grouped with 14 other local authorities who have similar levels of deprivation. The average spend is shown below. It can be seen that York's spend is lower than the average however, if the major outlier (City of London) is excluded, York's spend is slightly higher than average.



Figure 8: Public Health expenditure per head of population: York v deprivation decile.

Spend on public health per head of population 2014/15	Value
York	£38.34
Average in deprivation group	£45.92
Average in deprivation group (excl. City of London)	£36.15

## Spends v Outcomes

### Construction of SPOT charts

The charts below illustrate the way SPOT charts are constructed

- Spend information is plotted on the horizontal axis and outcome information on the vertical axis.
- The red vertical line indicates the average outcomes for England the blue horizontal line indicates the average spend for England. The point of intersection is average spend and average outcome for England
- The quadrants of the chart indicate how well a local authority is doing for an individual area of expenditure and a related set of outcomes. For example if a local authority falls in the bottom right quadrant this indicates a higher spend and worse outcomes.

Figure 9: Construction of a SPOT chart

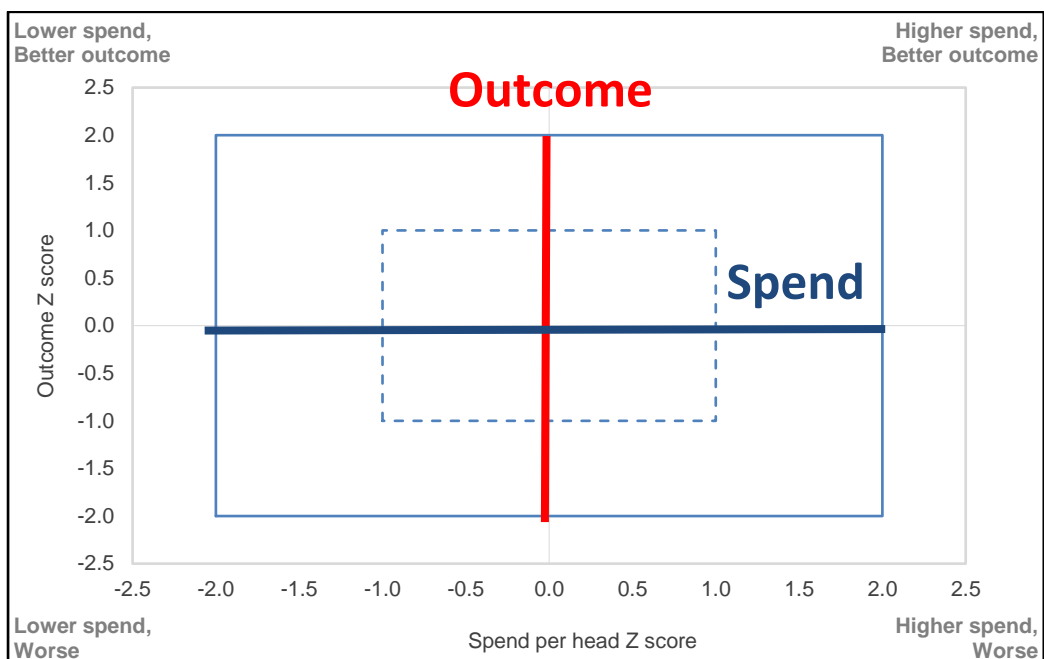
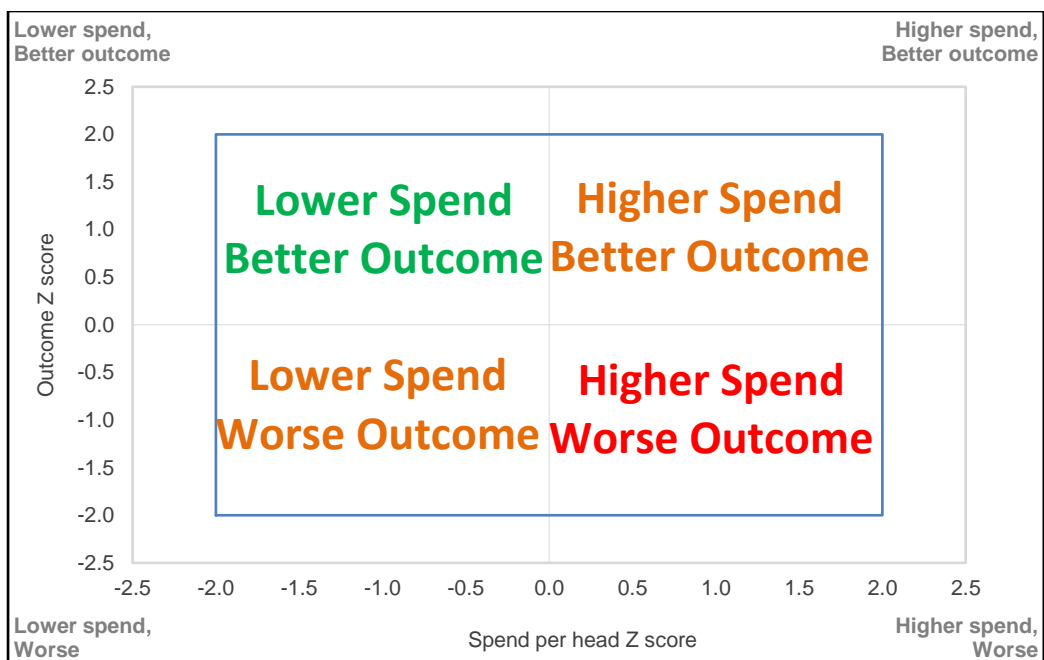


Figure 10: Quadrants of a SPOT Chart

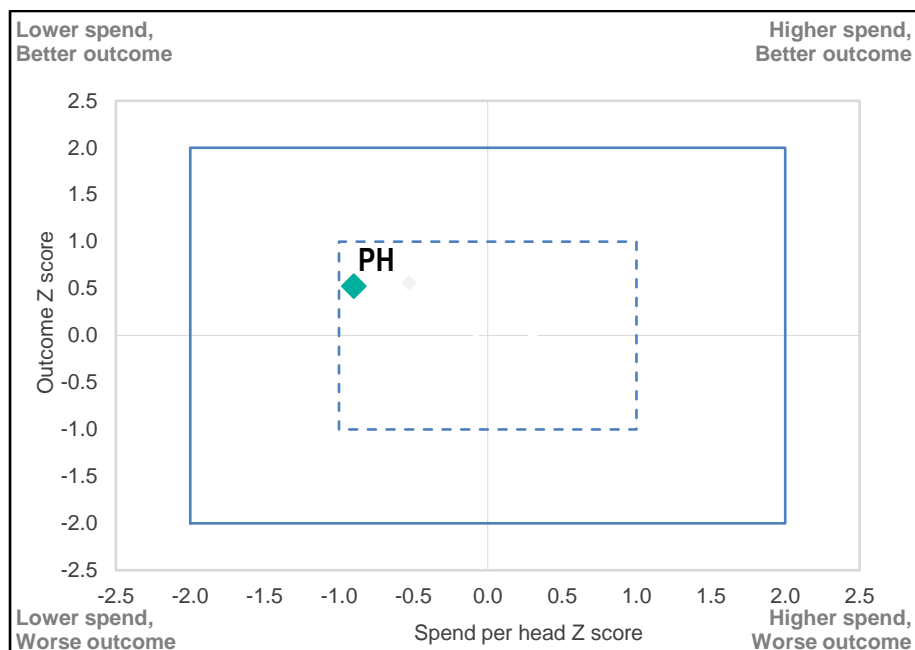


As York has low relative public health expenditure it is likely that we will be on the left hand side of the chart for most spend-outcome combinations.

## Public health expenditure v overarching public health indicators

For overall Public Health expenditure and outcomes for 2014/15, York is in the 'lower spend better outcome' quadrant. This was also the case in 2013/14.

Figure 11: Public Health Spend v Outcomes 2014/15

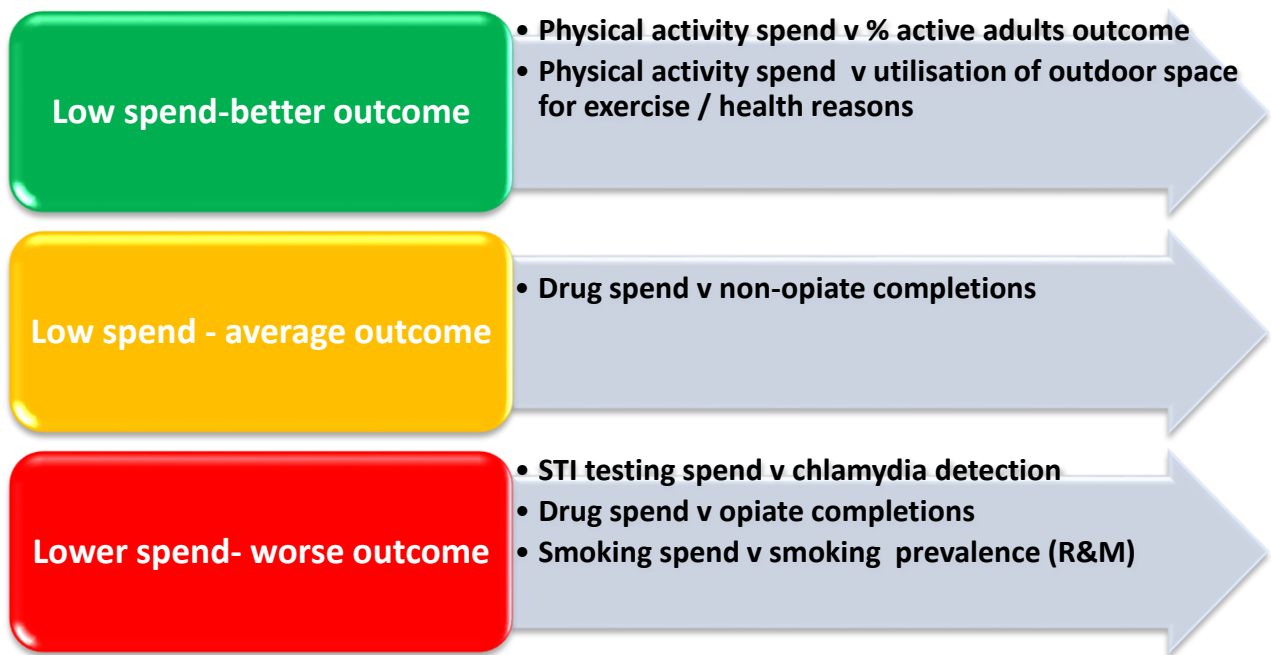


The outcome measures used for this category are life expectancy and healthy life expectancy – the 'overarching' Public health outcomes. Whilst it is a positive finding that York lies in the 'lower spend better outcome' quadrant we know that many things impact on the life expectancy measures as well as spending on public health e.g. the wider determinants of health. It is perhaps more useful to look at specific public health expenditure in relation to specific public health outcomes.

## Specific expenditure v specific outcomes

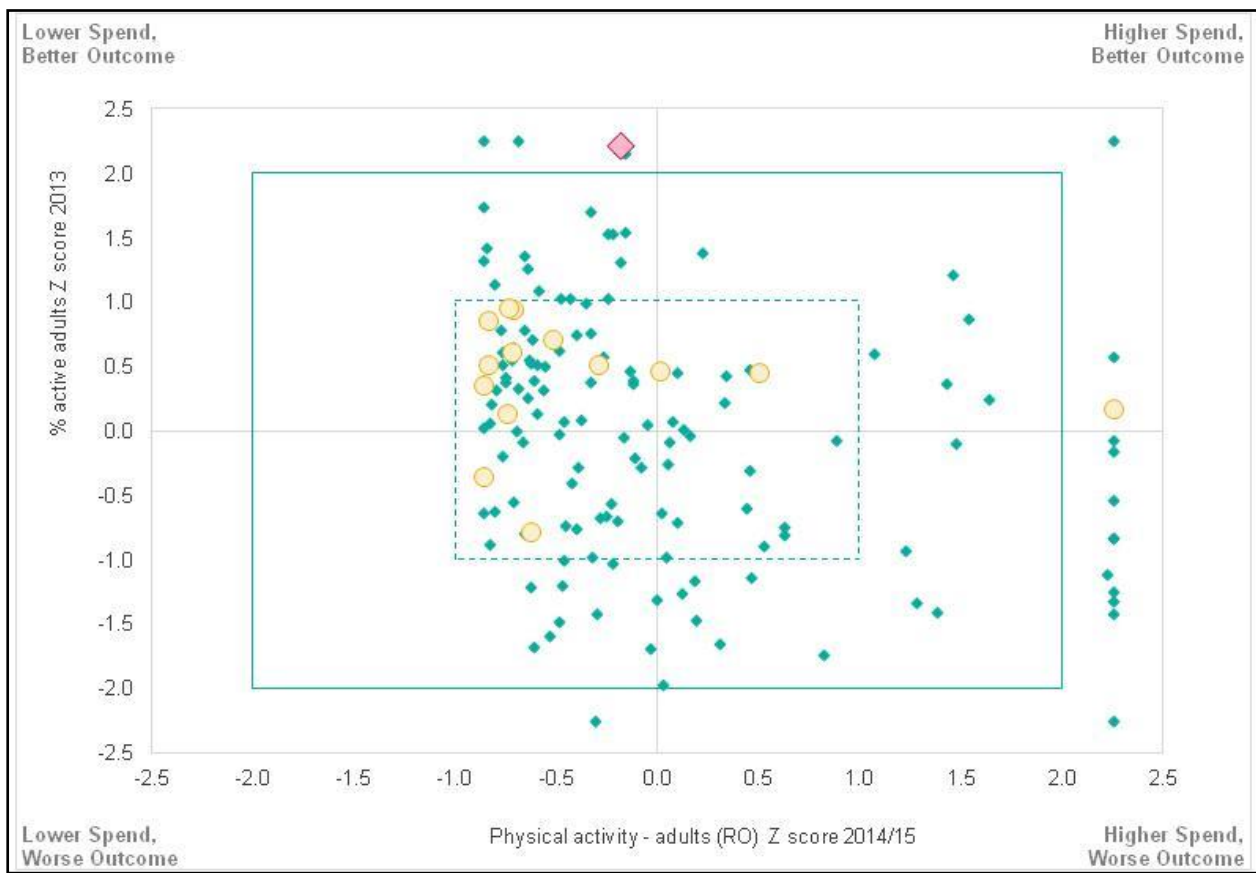
The graphic below shows some examples of public health programmes in York (all of which are classed as lower spend) and whether they have better outcomes, average outcomes or worse outcomes.

Figure 12: Examples of low spend- better outcomes and low spend-worse outcomes programmes in York



As an example, the SPOT chart for expenditure on physical activity in York against the outcome of the percentage of adults in York who are physically active is shown below. The key to the chart is as follows: the large pink diamond shape represents York, the yellow circles show York’s deprivation neighbours and the small green diamonds show all the other local authorities in England (the local authorities can all be identified individually on the SPOT tool itself).

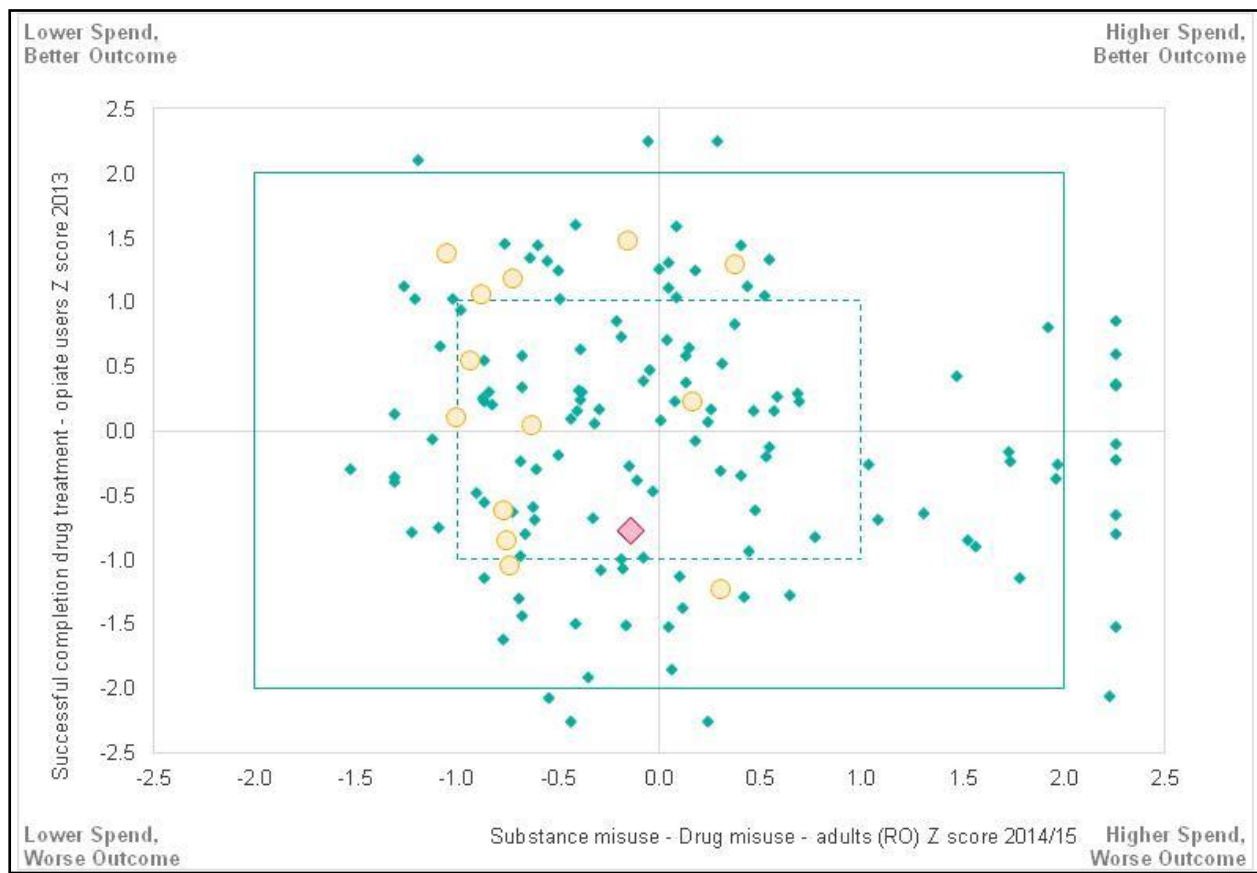
Figure 13: SPOT chart for physical activity expenditure v percentage active adults



The chart shows that York has a slightly lower public expenditure on physical activity but York has one of the best outcomes in the country in terms of adults engaging in physical activity. This is a good example of a 'public health council' in operation as although the direct spend is relatively low, a considerable amount of partnership working and support is provided to other CYC departments and other organisations (e.g. leisure centres, sport clubs, voluntary agencies and universities) to achieve positive outcomes across the city.

Another example is the expenditure on drug treatment against the percentage of opiate users who have a successful completion from drug treatment. York is rated as lower spend, worse outcome.

Figure 14: Adult drug treatment spend v outcomes for opiate users



A practical use of the chart is to identify local authorities with a better rating, for example Calderdale had better outcomes for a lower level of expenditure and it may be useful to contact them regarding their commissioning model as substance misuse service are due to be re-commissioned in York in 2016/17.

Further examples of SPOT charts are shown as appendices.

- Physical activity spend v % Utilisation of outdoor space for health / exercise reasons.
- STI testing spend v chlamydia detection rate
- Smoking cessation spend v smoking prevalence (R&M)
- Overall public health spend v healthy life expectancy for men
- Overall public health spend v healthy life expectancy for women

The SPOT charts can also provide a quick visual representation of York's performance in relation to our deprivation neighbours. For example looking at overall public health expenditure against healthy male life expectancy we do well nationally but less well in relation to our deprivation comparators. For public health expenditure against healthy female life expectancy, however, we do well nationally and also well

in relation to our deprivation comparators (see relevant SPOT charts in the appendices).

With pressures on public health budgets, particularly those programmes which account for the largest share of expenditure such as substance misuse and sexual health it can be seen that there are some risks and challenges. For some areas of these programmes (e.g. chlamydia detection and successful completion of treatment for opiate users) York is already in a lower spend-worse outcome situation so any further reductions in funding could impact negatively on outcomes unless improvements in service design and delivery can be made.

### **Uses of the SPOT tool**

The tool can be used in a number of ways:

- Identifying local authorities who are achieving better outcomes for a similar level of expenditure (or achieving the same outcomes for less money) for specific programmes
- Providing a baseline against which future spend and outcome combinations can be measured
- Identifying risks and challenges i.e. programmes where spends and outcomes are already low and future cuts are planned or necessary.

### **Caveats about using SPOT tool**

- The tool uses current spend against latest indicators. In some cases outcomes may be related more to cumulative expenditure in previous years rather than current expenditure.
- Expenditure on the wider determinants of health e.g. education, housing, leisure, environment etc. also have bearing on health outcomes.
- Some programmes may look less efficient in York due to a smaller population; York can't benefit from economies of scale in programme delivery.
- Local authorities may differ in exactly how they code expenditure so comparison of specific programmes may be flawed. Also the existence of large block contracts for certain programmes may mean that detailed breakdowns

into specific sub-areas of expenditure have to be estimated.

The expenditure data for local authorities used for the SPOT tool is the publically available DCLG General Fund Revenue Account Outturn. To ensure that the public health expenditure is coded in a consistent manner each year it is a recommendation of this report that the Director of Public Health should sign off the public health section of this return.

### **Changes to public health expenditure: 2015/16**

The analysis to date has been done using 2014/15 actual expenditure, however the Public Health budget is undergoing considerable change at present. Some of the key changes in York for 2015/16 are summarised below:

- There was a part year increase in grant funding due to the transfer of the commissioning of 0-5 years children's public health services from NHS England to local authorities from 1<sup>st</sup> October 2015 (£916k).
- There was an in year grant cut of 509k
- The net impact of the two changes was that the public health grant increased by £407k made up of Children's 0-5 funding (£916k) less the in year grant cut (£509k).
- There were new items of expenditure: children's 0-5 services (901k); air quality contribution (50k); health protection (12k); housing officer (10k) and suicide prevention (9k).
- There were some reductions in expenditure: tender of sexual health contract saved £549k; end of pharmacy contraception service saved £28k and end of funding for soil association project saved £42k (this was a one off project in 2014/15).
- There were some items where existing expenditure increased including staffing (£27k - due to restructure, net figure reduced by vacancies) and Sky Ride (£27k – increased contribution in 2015/16).

Details of the public health grant allocation for 2016/17 are awaited at the time of the report (January 2016).



The key points in relation to future public health spending from the Autumn Statement in November 2015 were as follows:

- The government will make savings in local authority public health spending.
- The government will also consult on options to fully fund local authorities' public health spending from their retained business rates receipts, as part of the move towards 100% business rate retention.
- The ringfence on public health spending will be maintained in 2016-17 and 2017-18.

The continued pressure on the public health budget means it will be important to improve the performance monitoring of public health contracts to achieve quality of provision and the best possible outcomes in relation to expenditure.

## **Summary and Recommendations**

### **Summary of Key Points**

- In 2014/15 York had a lower spend per head of population on public health compared with regional and national averages.
- The expenditure per head of population on all local authority services in York was also lower than regional and national averages.
- A total of £7.76 M was spent directly on public health in York. The biggest areas of spend were sexual health (£2.7M) and substance misuse (£2.5M).
- 2/3 of the budget was spent on sexual health and substance misuse programmes.
- A higher % of the York budget was spent on sexual health compared with the national average, however York has a relatively high 20-24 year old population.
- York had a higher than average spend per head on contraceptive services, but the reasons for this have been identified
- Public health expenditure was broadly linked to deprivation (except for some London councils).
- The SPOT tool looks at the 2014/15 expenditure in relation to the latest public health outcomes and allocates each local authority to a spend outcome 'quadrant' e.g. low spend-worse outcome or low spend-better outcome.

- York is a 'lower spend higher outcome' authority for overall public health expenditure against overarching life expectancy indicators.
- For expenditure on specific public health programme against specific outcomes there are mixed results.
- A positive rating for physical health expenditure against the 'active adults' outcome is a good example of public health working with other departments and agencies to achieve good outcomes despite lower direct public health spend.
- The tool provides an opportunity to identify local authorities who are achieving better outcomes than York for a similar expenditure e.g. Calderdale for drug expenditure against opiate outcomes.
- There are some positive uses of the SPOT tool (e.g. providing a benchmark and identifying risks and challenges) and some caveats with regards to interpreting the outcomes (e.g. budget coding issues and the lag between expenditures and outcomes).
- Changes to the public health budget in 2015/16 include new areas of expenditure on children's 0-5 services, air quality, health protection, housing and suicide prevention, whilst there were some savings due to the re-tender of the sexual health contract and ending the pharmacy contraception service.
- The government announced that there would be further reductions in local authority public health spending in the Autumn statement in 2015.

## **Recommendations**

- To use the current SPOT tool ratings as a baseline for monitoring expenditure in relation to outcomes in the future.
- To identify the local authorities who are achieving better spend outcome combinations for specific programmes and to contact them where appropriate.
- Director of Public Health to sign off the public health section of the General Fund Revenue Account Outturn to ensure public health expenditure is coded in a consistent manner each year.
- To improve consistency in the performance monitoring of public health contracts in order to achieve quality of provision and the best possible outcomes in relation to expenditure.

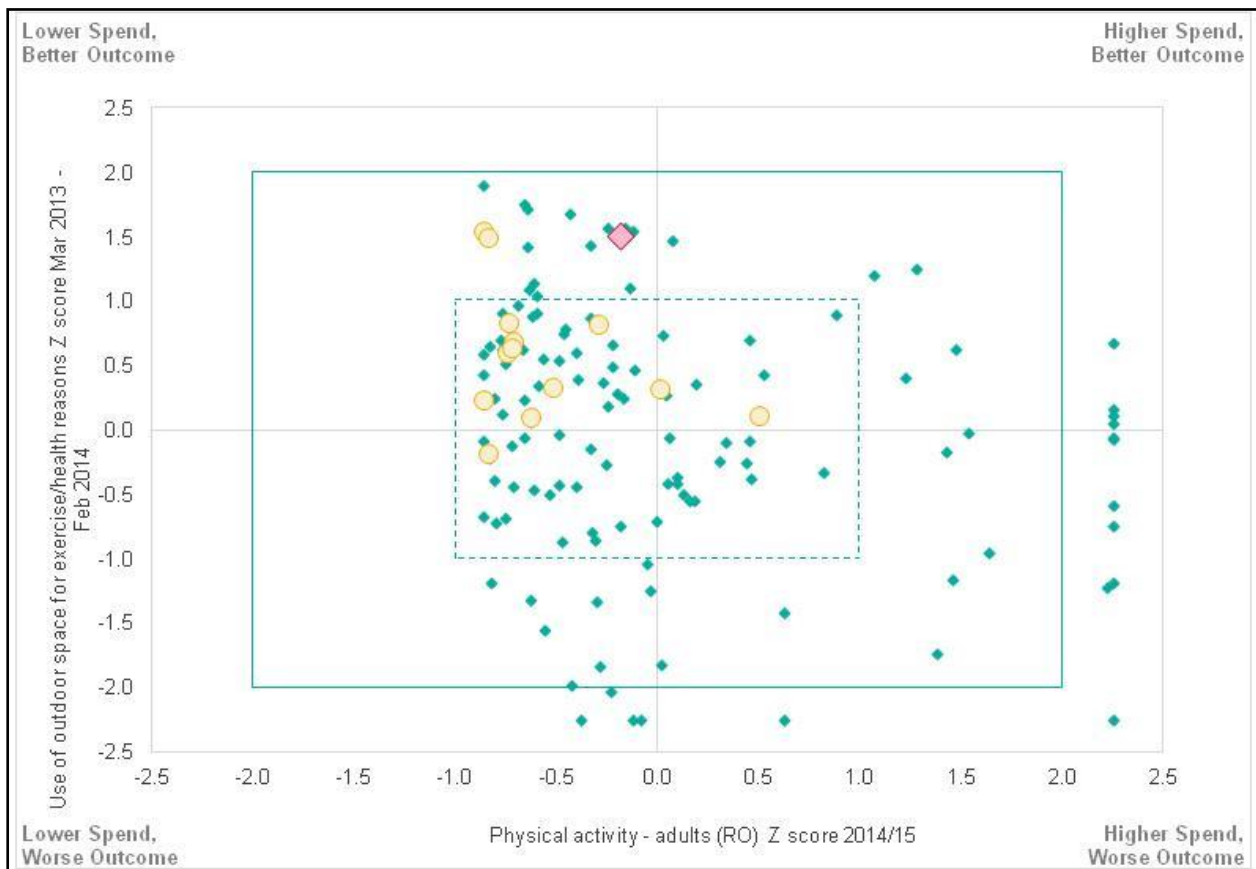
- To be aware of the programme areas currently rated as 'low spend worse outcomes' and to be mindful of the potential implications should further reductions in expenditure on these programmes be required.
- To use the NICE value for money tools and guidance when commissioning public health programmes to ensure that services have a robust evidence base in relation to delivering outcomes against expenditure.

## Appendices

### Index of Tables and Charts

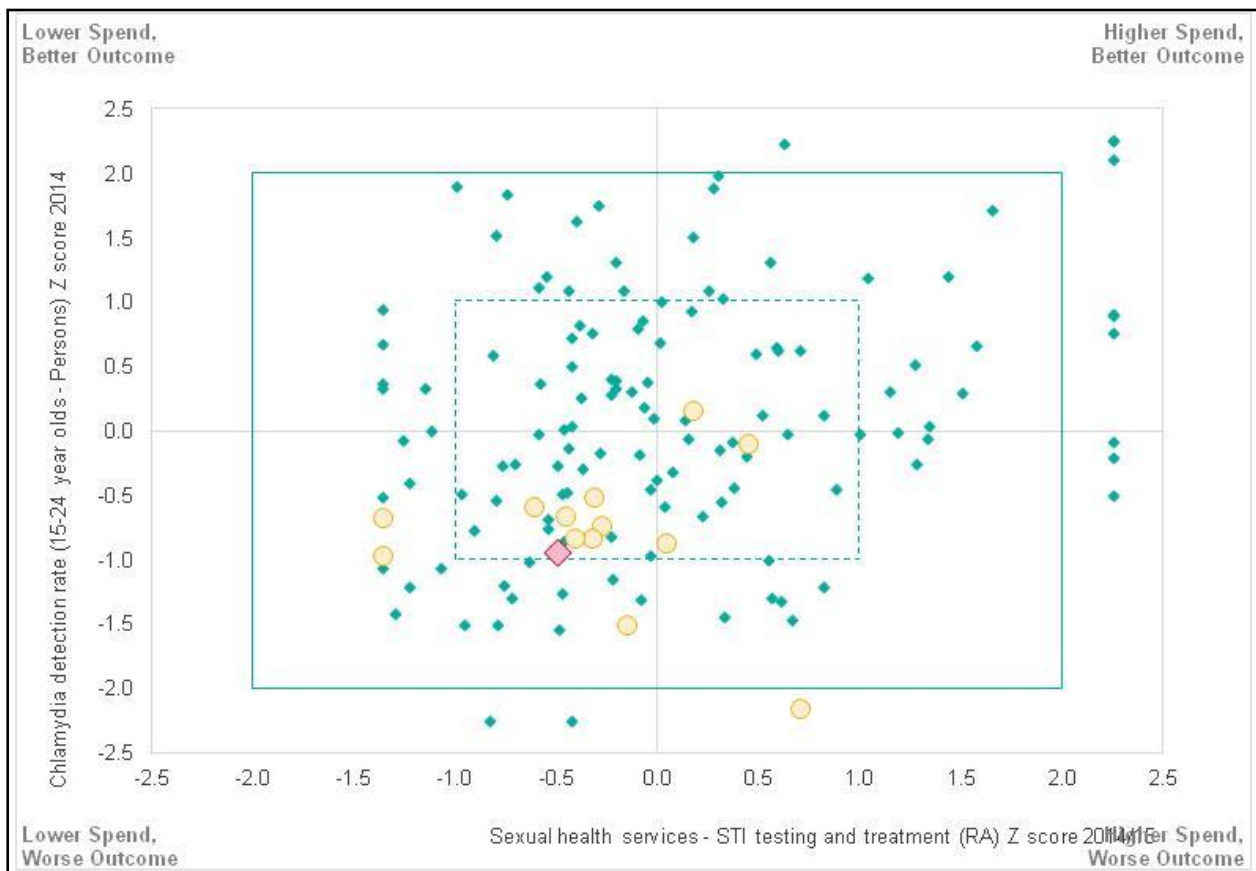
Figure 1: 2014/15 Public Health spend per head. ....	2
Figure 2: 2014/15 Total council spend per head 2014/15 .....	3
Figure 3: Breakdown of York public health spend 2014/15 .....	3
Figure 4: Percentage breakdown of the public health spend in York in 2014/15 .....	4
Figure 5: Proportion of Public Health Budget spent on each area. 2014-15. York v England. ....	5
Figure 6: Cost per service user for selected public health programmes 2014/15 .....	6
Figure 7: Public Health spend per head by deprivation rank-English LA's 2014/15 .....	7
Figure 8: Public Health expenditure per head of population: York v deprivation decile. .....	8
Figure 9: Construction of a SPOT chart.....	9
Figure 10: Quadrants of a SPOT Chart.....	9
Figure 11: Public Health Spend v Outcomes 2014/15 .....	10
Figure 12: Examples of low spend- better outcomes and low spend-worse outcomes programmes in York.....	11
Figure 13: SPOT chart for physical activity expenditure v percentage active adults ...	12

**SPOT chart for Physical Activity spend v % Utilisation of outdoor space for health / exercise reasons.**



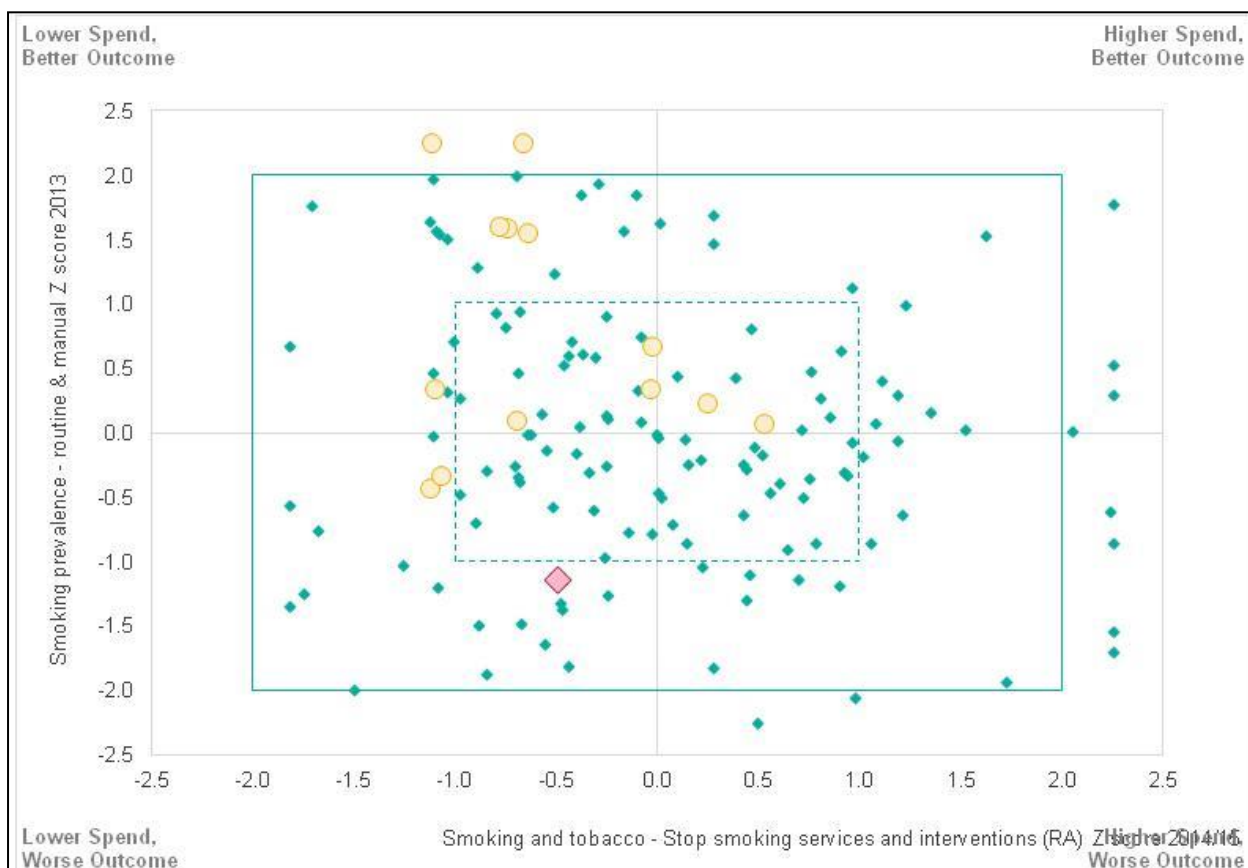
York is rated as 'lower spend, better outcome'.

### SPOT chart for STI testing spend v chlamydia detection rate



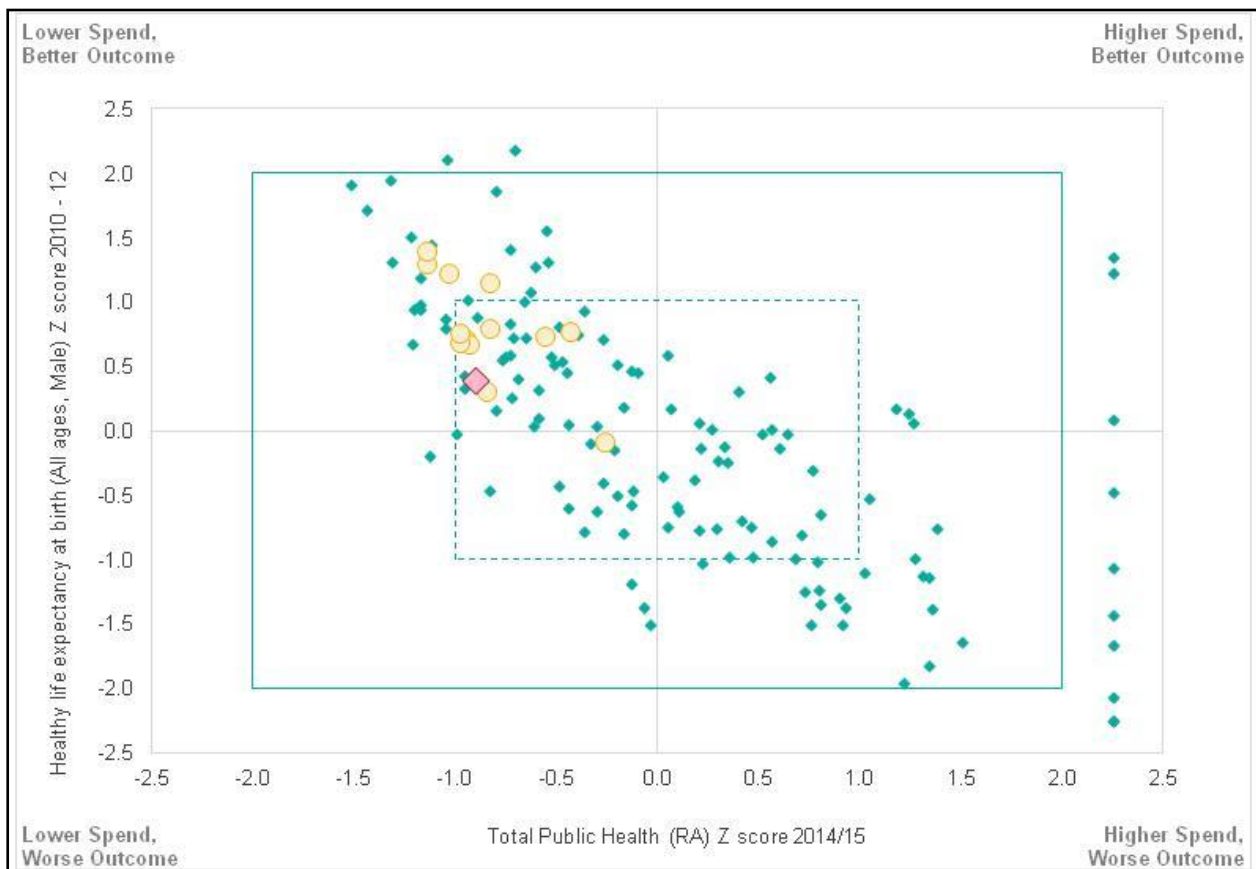
York is rated as 'lower spend, worse outcome'.

### SPOT chart for smoking cessation spend v smoking prevalence (R&M)



York is rated as 'lower spend, worse outcome'. NB East Riding have better outcomes for similar spend

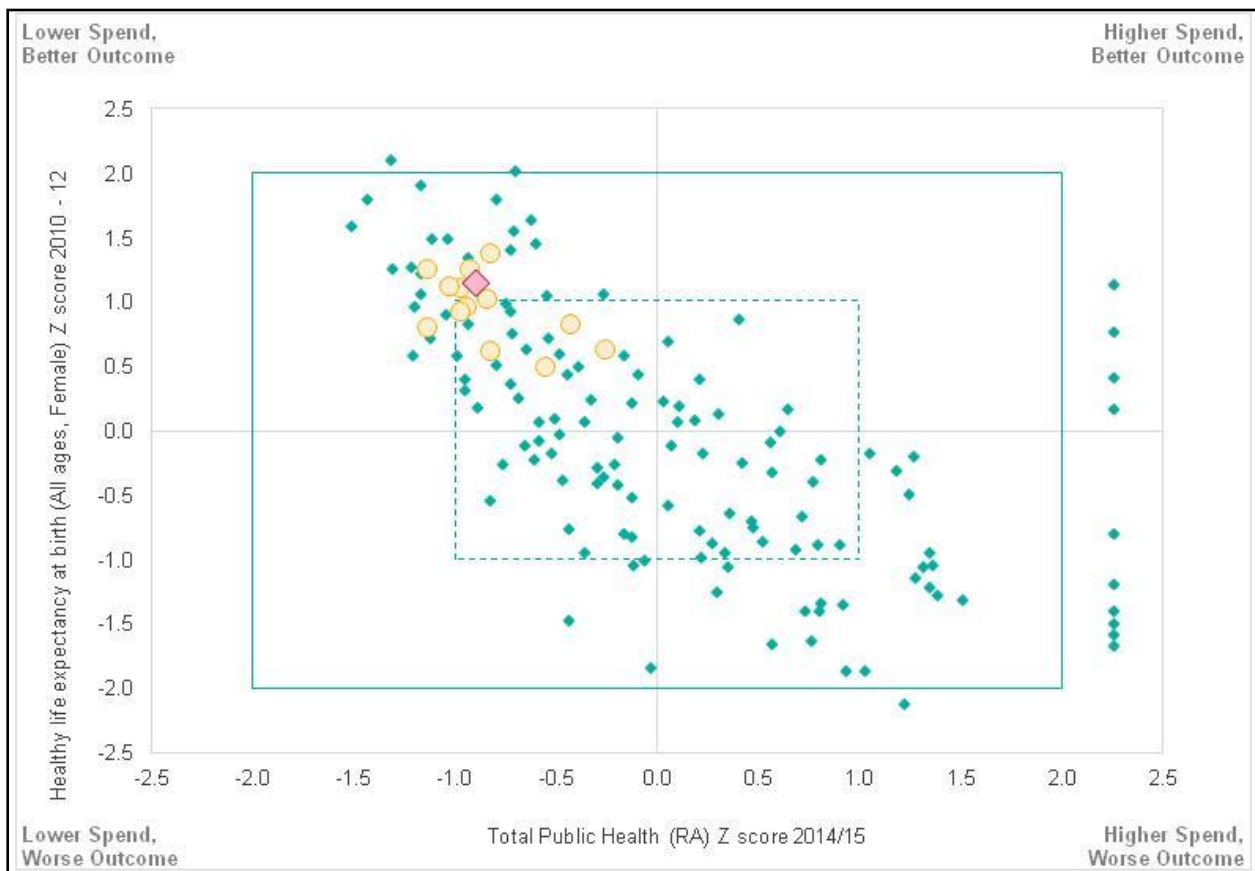
## SPOT chart for overall public health spend v healthy life expectancy for men



York is rated as 'lower spend, better outcome' nationally. But note how deprivation neighbours have better outcomes still.



### SPOT chart for overall public health spend v healthy life expectancy for women



York is rated as 'lower spend, better outcome' nationally. York also has good outcomes v deprivation neighbours as well.