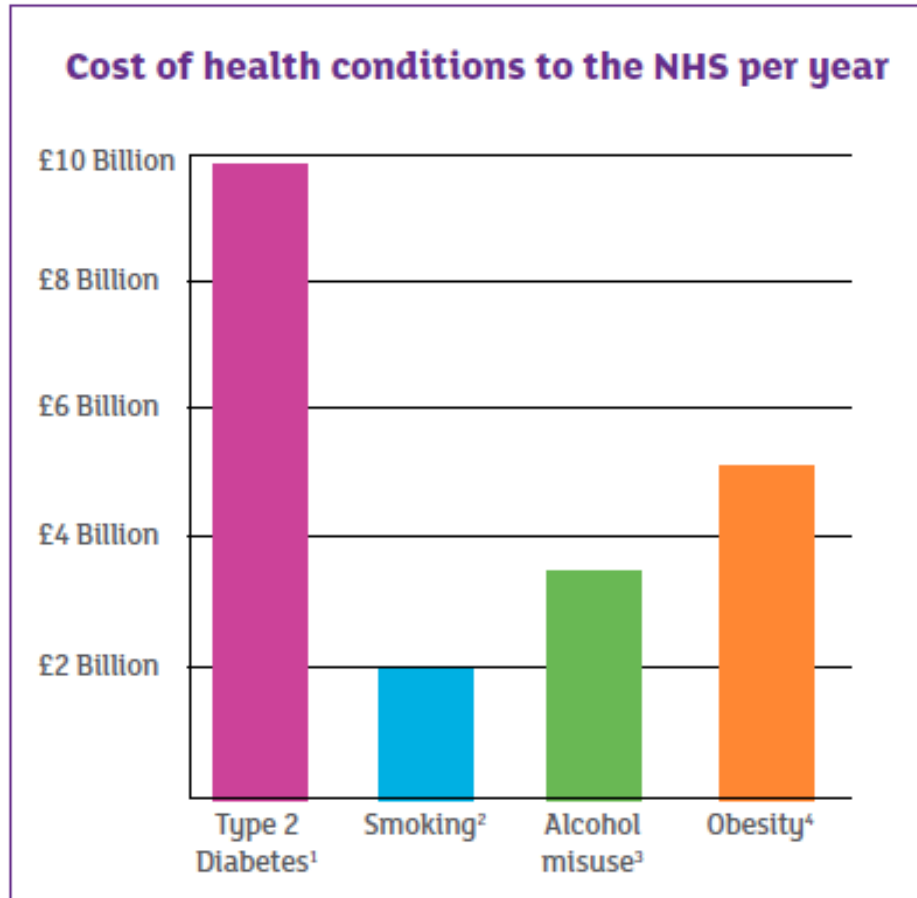


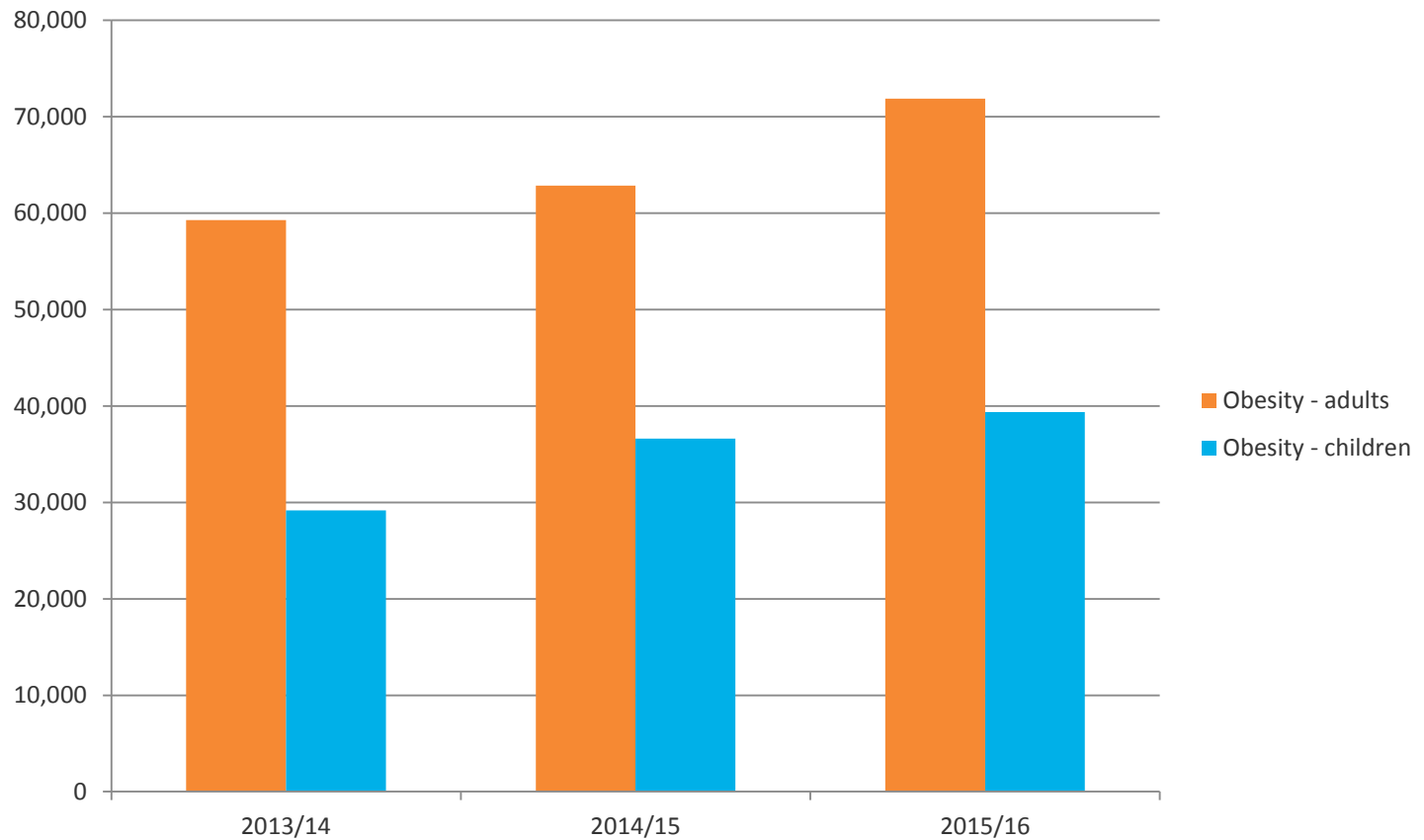
# Short term gain, long term pain – the impact of CSR2015 on population health and health finances

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## What's the Problem?



## What's the Trend?



## The Public Pound Multiplier

- £1 on smoking prevention can save £6.
- £1 on psychosocial treatments for dependent drinkers can save £5.
- £1 on a walking programme run by occupational health nurses can save £6
- Quoted from  
**Prevention better than the cure?**  
CIPFA, 2014

## NHS Five Year Forward View Oct 2014

- ‘The first argument we make in this Forward View is that the future health of millions of children, the sustainability of the NHS, and the economic prosperity of Britain all now depend on a radical upgrade in prevention and public health. Twelve years ago Derek Wanless’ health review warned that unless the country took prevention seriously we would be faced with a sharply rising burden of avoidable illness. That warning has not been heeded - and the NHS is on the hook for the consequences.’

## CSR / Settlement Context

- Chancellor's gambit enabled by OBR remodelling
- Health support frontloaded
- Direction of travel for LG welcome – rate retention + social care precept
- BCF retained and increased, but backloaded

## CSR / Settlement Theoretical Logic

- Health and Social Care are the priorities
- Support for both, though it may not be enough
- Public Health is critical to both
- Desire expressed to change basis of Public Health budgeting
- Evidently self-defeating and inconsistent to cut Public Health – though that didn't stop £200m in-year cut in 2015-16!

## Source of Public Health Funding

- Ring-fenced through to 2017/18 as a grant
- Govt. wish to move to local funding as part of letting councils keep business rates
- If so:
  - Shift in political accountability
  - equity issue
  - potential mismatch of spending cycle and economic cycle



## CSR / Settlement Practical Illogic

£m Public Health	Baseline	2016-17	2017-18	2018-19	2019-20	2020-21	Total
SR Total Funding (£m)	3,461	3,384	3,300	3,215	3,130	3,130	16,159
% reduction		2.2	2.5	2.6	2.6	-	9.7
Reduction (£)		77	84	85	85	-	£331m

## Result against Simon Stevens' Five Conditions

- front-loaded investment in transformation
- “new asks” from the NHS to be consistent with phasing of the new investment
- continuing political support for the set of efficiencies required
- investment and funding protection for social care services
- make good on the public health opportunity



## Short term gain, long term pain?

- All the signs are that the front-loaded £3.8bn will be used up in what's been called a 'firebreak' year in sorting out provider deficits (£1.8bn allocated), extra pension costs (£1bn) and the transitional costs of moving towards the £22bn savings ask.
- That won't help with the long term reduction of demand

## How Can More be Invested?

In order of apparent Govt. preference:

1. Increase efficiency – but £22m ask is at or beyond outer limit
2. Increase net health budget
3. Increase NHS income
4. Reduce service levels

Only (2) and (3) promise more, then...

## Budget Increase Options

- Give Public Health greater relative priority?
- Invest to Save could be ‘virtuous’ debt-funded deficit?
- The case for a bespoke tax –as made for Social Care – is as strong for Public Health. E.g. receipts from a ‘punitive’ tax on ‘indulgence foods’ could be ploughed into Public Health?

## Extra Income Options

Could means-tested charges gain some support if sold as funding PH investment, e.g.

- ‘Hotel’ charges - with added advantage of removing boundary with social care?
- charge for visits to doctor?
- Insurance models?

## Questions for Debate

- How much more is needed for Public Health to deliver to the preventative agenda aspired to in the Five Year Forward View?
- How can that best be secured?