



Department
of Health



Public Health
England

9 September 2014
PHE Gateway
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To: Chief Executives – Upper tier local authorities
Directors of Public Health – Upper tier local authorities

Dear Colleagues

We are writing to inform you that today we have published:

- The public health allocations for 2015/16 for upper tier and unitary local authorities
- A consultation exercise on the Health Premium Incentive pilot scheme. The pilot scheme is backed with a £5 million incentive for local authorities. We are inviting comments on the choice of national and local indicators for the pilot, future flexibilities, the threshold for incentive payments and how they should be apportioned

In 2015/16, local authorities will receive £2.79 billion ring fenced public health grant for their public health duties, the same as in 2014-15. Ring-fenced funding for 0-5 public health services due to transfer from NHS England to local authorities in October 2015 will be announced separately.

The allocation is set at the same level as last year. We have made the necessary adjustments to the original allocations that have been agreed locally and we have used 2014/15 as the baseline for these adjustments.

We recognise that this settlement means that we will be unable to make further progress on pace of change in the coming year. However, it remains our long term goal to move all local authorities to their target allocation.

The allocations can be found at: <https://www.gov.uk/government/consultations/health-premium-incentive-scheme-and-public-health-allocations>

We have already moved those authorities furthest from target up by as much as 21% by the end of 2014/15. Over the three years to 2015/16, local authorities will see, on average, an increase in funding by 10.7% in cash terms, or 4.7% in real terms. In the context of other budgetary pressures we believe that this is a fair and reasonable settlement.

An additional £5 million has been allocated for the Health Premium Incentive pilot scheme

for local authorities that demonstrate improvements on two public health indicators. It aims to reward local authorities by offering an additional financial incentive for improving the health of local populations and tackling health inequalities. Payments will be made in 2015/16 for improvements achieved in 2014/15. We are proposing using "Successful completion of drugs treatment" with combined data for opiate and non-opiate users (a national indicator) and "a locally selected indicator" from the approved subset of the public health outcomes indicators. We are very interested in your views on the overall design of the scheme and your feedback will inform future roll out of the scheme.

Yours sincerely

Handwritten signature of Jane Ellison in black ink, with a horizontal line underneath.

Jane Ellison (MP)
Parliamentary Under Secretary of State
For Public Health

Handwritten signature of Duncan Selbie in black ink.

Duncan Selbie
Chief Executive
Public Health England