

Forward Plan reference number: FP/573/11/22

Report title: Public Health Accelerator Bids (PHAB) Grants Programme	
Report to: Cabinet	
Report author: Councillor John Spence, Cabinet Member for Adult Social Care and Health	
Date: 21 March 2023	For: Decision
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County Divisions affected: All Essex	

1 Everyone's Essex

- 1.1 This report outlines the recommendation for a new public health grant programme to implement the themes and priorities in *Everyone's Essex*, specifically outlined in the new business plan for Wellbeing, Public Health and Communities (2022-25), and undertake missed interventions due to the pandemic. The new Public Health Accelerator Bid Programme (PHAB Programme) will fund health improvement and healthcare public health projects in new and innovative ways over a three-year period.
- 1.2 The benefit of approving the recommendations in this report will be twofold: 1) catching up on key public health interventions that were delayed or missed due to COVID-19; and 2) the achievement of a step change in making public health everyone's business by addressing key lifestyle risk factors that contribute to disability, disease and premature death in Essex.
- 1.3 The new fund will focus on people and communities in Essex with the worst health outcomes.
- 1.4 The PHAB programme will fund new public health projects that focus on the four pillars of Everyone's Essex (health, families, environment, economy). The four pillars overlap directly with the wider determinants of good health outlined in 3.8, especially social and economic factors (40% of good health), physical environment (10% of good health), and health behaviours (30% of good health).
- 1.5 PHAB will accelerate the delivery of the new ECC Public Health Business Plan by bringing together productive and purposeful partnerships to address local public health issues at a local level and ensure that the widest view of the causes of ill-health are considered and addressed. The organisations and partnerships that will be targeted for PHAB can be found at 3.14.
- 1.6 In summary, this report makes the case for a new public health programme for Essex to accelerate the implementation of the four themes of Everyone's Essex and the priorities outlined in the new Essex County Council Wellbeing, Public Health and Communities business plan (2022-25).

2 Recommendations

- 2.1 Agree to the use of up to £8m of the existing Public Health Reserve balance, within the Grant Equalisation Reserve to fund a new Essex Public Health Accelerator Bids (PHAB) Programme for three years (2023/24, 2024/25, and 2025/26).
- 2.2 Agree that the rules for the operation of the scheme are as set out in this report, subject to modification for each funding round by the Director, Public Health and Well-being
- 2.3 Agree that no grants are to be made other than on terms and conditions approved by the Monitoring Officer or his nominee.
- 2.4 Note that any draw down from reserves will need to be approved in accordance with the Council's Financial Regulations and that the decisions requested in this report do not agree to the draw down of any funding.

3 Background and Proposal

Background Context

- 3.1 In October 2022, the Public Health service endorsed a new business plan for Wellbeing, Public Health and Communities. The plan, which can be found at Appendix 1, proposed new ways of working to make public health everyone's business, focusing on wider public services, the voluntary and community sector, and local businesses. The plan outlines a focus on prevention work through new levels of engagement with local communities, families, and individuals to ensure sustainable improvements in health. The plan also highlights key risk factors that contribute to a high proportion of disease, disability, and premature death in Essex. The plan covers a three-year period (2022-25) and aims to lay the foundations for the achievement of longer-term health outcomes to allow everyone in Essex to live a healthy life and achieve their full potential.
- 3.2 Each year, the Department for Health and Social Care publishes the public health grant allocation that each local authority invests in programmes that seek to prevent ill health, promote healthier lives and address health disparities alongside wider investments in health and social care. There are conditions on how the grant may be allocated and spent through prescribed and non-prescribed functions which are monitored by the Office of Health Inequalities and Disparities (OHID). At each year end, any in-year underspend from the annual Public Health grant allocation is transferred to the reserve.
- 3.3 In recent years there has been an underspend in the grant, partly because delivery was prevented by the pandemic. In order to accelerate the delivery of the business plan and to catch up and redress this, it is proposed that Essex

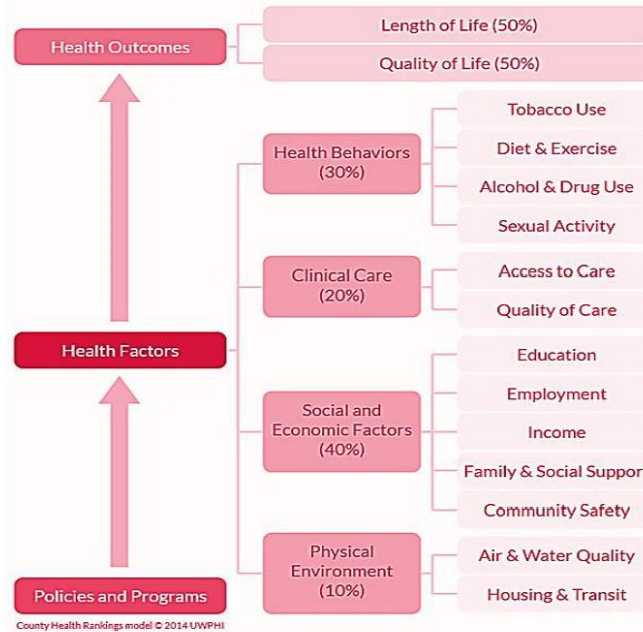
County Council create a new Essex Public Health Accelerator Bids Programme (PHAB Programme).

Background Strategic Context

- 3.4 The intention of the Public Health grant is that it is fully committed each year to the delivery of prescribed and non-prescribed public health functions. There is a mechanism whereby any unspent grant at year end may be transferred into a ringfenced reserve which may be utilised in future years for expenditure on public health outcomes, compliant with the original grant conditions. The current level of funding in the Public Health Reserve is higher than usual due to under-delivery of key statutory and discretionary services during the pandemic. Recent guidance shared at the last two meetings with the OHID requires Directors of Public Health to develop plans to utilise the reserve to catch up on un-delivered programmes and address wider public health issues and inequalities in the local population. It is expected that formal guidance on this will be issued by the OHID.
- 3.5 The recommendation in this report is for up to £8 million of the current ECC Public Health Reserve to be used over a period of up to three years to fund the PHAB Programme while maintaining a minimum contingency balance of £1m in the reserve to cover unexpected costs or other events that could impact on the delivery of key statutory services for public health. In the event of a significant new public health crisis (nationally or locally) or other, unfunded government directed public health requirement, the Director of Public Health may need to suspend new grants under the PHAB Programme until a thorough risk assessment and financial due diligence on the sufficiency of the reserve has been carried out. ECC will reserve the right to suspend the allocation of funding PHAB programme at any time in order to manage the risk of potential other priority calls on the reserve.
- 3.6 Subject to paragraph 3.5, it is proposed to spend the remaining reserve on a grants programme as set out in this report. The grants programme is likely to operate by seeking competing bids for grants. Funding opportunities will be based on funding rounds. It is likely to take a number of rounds to spend the money wisely. Each round will be subject to its own rules.

Proposed Design of the Programme

- 3.7 The new business plan for Wellbeing, Public Health, and Communities (2022-25) sets out new ways of working to make public health everyone's business by addressing the wider determinants of health outlined in the diagram below. The PHAB Programme will mainly focus on tackling social and economic factors which impact 40% of our health, and health behaviours which influence 30% of our health.



3.8 The PHAB Programme will prioritise the outcomes outlined in the ‘four Ps’ to deliver good public health:

Productive Partnerships – ECC Public Health will work alongside local businesses, public sector organisations, local academic institutions, the voluntary sector as well as communities and individuals to invest in the right areas and create the right culture for people to live healthier, longer lives.

Place Based Public Health – ECC Public Health will look to fund through local channels to support civic assets, community connectedness and active and engaged communities. Effective place-based working provides communities with opportunities to empower, educate and energise using asset-based community development (ABCD) principles, and make maximise all opportunities available to them to live healthier and more fulfilling lives, no matter their age, background or current circumstances.

Prevention – ECC Public Health will utilise population health management (PHM) approaches to identify groups of people at risk of developing disease or disability, reducing lifestyle risk factors to drive up good health outcomes and increase independent living.

Public Health Priorities – ECC Public Health will redouble efforts to address the six most common risk factors that cause poor health which are smoking, high systolic blood pressure, high fasting blood glucose, high body mass index, high LDL cholesterol, and alcohol use.

3.9 The PHAB Programme will also prioritise good mental health which significantly affects quality of life and life expectancy. Promoting good mental health outcomes will be the golden thread that runs through the PHAB Programme as

it has an impact on happiness, relationships, aspirations, education, and employment. We are seeing significant increases in poor mental health in Essex which means we must refocus our efforts to ensure people have good mental health outcomes to live a fulfilling life.

- 3.10 The proposal is to allocate up to £8m of the current public health reserve balance to fund the PHAB Programme across the financial years 2023/24, 2024/25 and 2025/26. The PHAB Programme will be split into a large grants programme for external and ECC internal bids (i.e., grants over £15,000), and a small grants programme (i.e., grants under £15,000). There is no specifically determined value attributed to each programme size as grant award success will be dependent on the quality of bid in relation to the assessment criteria applied and availability of overall funding across the programme. It is likely that there will need to be a number of funding rounds to spend the money.
- 3.11 The PHAB Programme will require additional resourcing to enable it to operate effectively. Additional staffing on a fixed term basis is proposed for the 3 year duration of the programme to include specific project management capability. The estimated total cost of the additional headcount is £500,000 over 3 years (c.£165,000 per annum) which will be funded from within the overall envelope of £8m available for the PHAB programme. Any additional resource requirement over and above this would be sourced from existing capacity.
- 3.12 Grants will be invited at any time from ECC services and from other public bodies or charitable or voluntary sector organisations but the panel will only meet to approve approximately every four months. All applications will be assessed by a multidisciplinary panel established by the Director of Public Health. The panel will make recommendations against published scoring criteria, with final sign off and approval by the Director of Public Health. Funding will be awarded to constituted organisations only (not individuals) from internal ECC bids to organisations from the wider public sector, voluntary and community sector, and local businesses. There will be no Councillor representation on the panel and the decisions of the Director of Public Health will be formally published on the Council's Committee Management Information System. The Director of Public Health will arrange for any grants which amount to a subsidy being notified to the relevant government department.
- 3.13 The PHAB programme will encourage place-based delivery but Essex-wide proposals will also be considered. The programme will prioritise bids from productive and purposeful partnerships that are addressing local public health issues and anticipate bids from (please note this list is not exhaustive):
- Community and voluntary organisations
 - Social enterprises and charities
 - Locally trusted organisations
 - Early years providers, schools and colleges
 - District local authorities and parish and town councils
 - Health organisations including ICBs, ICPs, and health alliances
 - Essex-based businesses and companies
 - Faith organisations
 - Housing Associations and tenants and residents' groups

- Umbrella organisations, including applications from consortiums
- Essex County Council services especially public health, adult social care, children and families, schools and learning, libraries, transport and planning, business, and leisure, culture and heritage.

3.14 The headline criteria for the PHAB programme are:

Essential – proposals will normally be rejected if they do not meet all these criteria:

- Clear fit with the ECC Public Health Business Plan and Everyone’s Essex
- Project activities must be additive and not substitute the funding of current work streams and activities
- Projects will not be funded that already are financed and/or are more suitable to other existing grants (information on the most appropriate funding source will be provided to such bidders where available)
- Cannot be used to fund services and activities that are the explicit statutory duty of another organisation
- Maximum of two years funding per project
- Funding will only be awarded to properly constituted organisations and cannot fund individuals
- There must be a clear exit plan for sustainability at the end of the funding
- Demonstrate value for money
- Funding will not be provided if it amounts to a subsidy which cannot be justified
- The bidder has agreed a clear evaluation plan with measurable outcomes and deliverables
- Directly seeks to reduce health inequalities
- Robust equal opportunities policy and safeguarding policy

Proposals which meet these criteria are more likely to be supported:

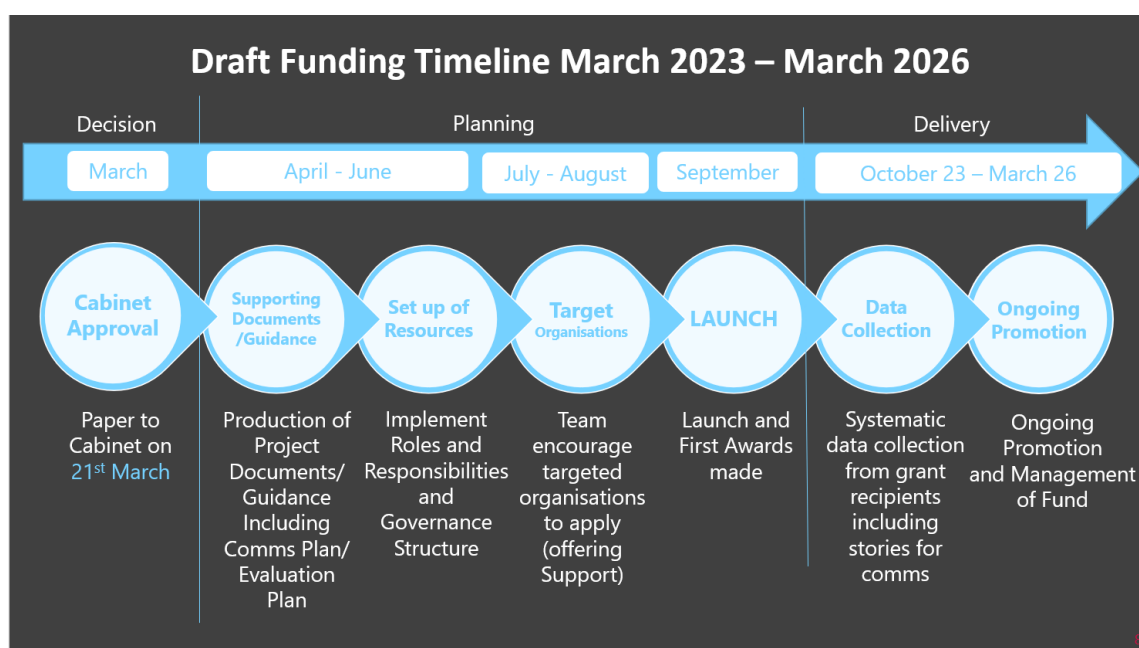
- Proposals which include match funding or which unlock investment from other sources
- Proposal which we consider will demonstrably lead to a reduced demand for health and care services
- Proposals which specifically target groups experiencing the worst health outcomes
- Proposals which are innovative and offer new ways of improving health
Proposals supported by evidence of need
- The bid supports the development of strong and sustainable partnerships and alliances

3.15 Lessons have been learnt from previous grant programmes and we will seek to ensure that the money is well spent. Therefore the core principles of the PHAB programme are:

- Place based approach, responding to local need and circumstances underpinned by local data and local key performance indicators
- Fund a broad range of opportunities, from internal ECC bids to organisations from the wider public sector, voluntary and community sector, and local businesses

- The programme will have a clear emphasis towards of ‘those most in need’, therefore a phased funding round approach will be implemented to target audiences
- This programme will seek to move away from previous transactional relationships and move to create trusting relationships and collaborative partnerships (relationship based grant giving),
- Evaluation to be proportionate to the size of application.
- There are likely to be a range of size of grants, including larger grants to fund partnerships and attract additional match funding from partners
- We encourage applicants to co-design with the people the funding is designed to help
- We will seek to help successful recipients with capacity building if required
- Funding must not be used as a substitute for savings or existing services. It must be additive to be new services or expansion of existing services

3.16 The timeline for delivering the PHAB Programme is outlined below:



3.17 The headline risks for creating the PHAB Programme are:

Risk	Mitigation
New pandemic or public health crisis or additional public health requirement.	PHAB Programme may be suspended awaiting a full risk assessment and financial due diligence on the sufficiency of the reserve.
Failure to robustly design and launch the new PHAB Programme and therefore there is potential for the Public Health Reserve Fund monies to not be spent or to be spent inappropriately.	The risk of non-delivery and need for return of the funding to OHID will be mitigated by a robust PHAB management plan, led by the ECC Public Health team with OHID input, detailing criteria, application and

Risk	Mitigation
	assessment/scoring process, communication, technology, and evaluation. Grants to external organisations will be paid on terms and conditions agreed by the Monitoring Officer.

4 Links to our Strategic Ambitions

4.1 This report links to the following aims in the Essex Vision:

- Enjoy life into old age
- Provide an equal foundation for every child
- Strengthen communities through participation
- Connect us to each other and the world

4.2 Approving the recommendations in this report is anticipated to have the following impact on the Council’s ambition to be net carbon neutral by 2030:

- Improving sustainable transport and active travel improves health and directly contributes to reducing our carbon footprint.
- Increasing sustainable housing and neighbourhoods has a positive impact on health and achieving net zero.
- Increasing the use of our parks, green and blue spaces will reduce car usage and increase health.

4.3 This report links to the following strategic priorities in the Organisational Strategy ‘Everyone’s Essex’:

- Health wellbeing and independence for all ages
- A good place for children and families to grow

5 Options

Option 1 – To approve the use of the ECC Public Health Reserve to fund a new ECC Public Health Accelerator Bid Programme (recommended)

5.1 This option will enable the use of ringfenced public health reserve funding to enable the delivery of the new ECC Business Plan for Wellbeing, Public Health, and Communities to be accelerated.

5.2 The rationale for the funding to run up to and including the financial year 2025/26 is to make a significant public health impact through the allocation of a large number of grants of different sizes across Essex and across our broad spectrum of target audiences.

- 5.3 OHID requires Directors of Public Health to develop plans to use the reserve to catch up on un-delivered programmes and address wider public health issues and inequalities in the local population. In the event of failure to robustly design and launch the new PHAB Programme, there is potential for the Public Health Reserve Fund monies to not be spent. The risk of non-delivery and need for return of the funding to (OHID) will be mitigated by a robust PHAB Programme management plan led by the ECC Public Health team with OHID input, detailing criteria, application and assessment/scoring process, communication, technology, and evaluation.

Option 2 – Do nothing (not recommended)

- 5.4 If the 'do nothing' option is selected the PHAB Programme will not commence and existing, significant public health reserve funds will remain unspent unless an alternative, appropriate use for them is defined. Doing nothing would be detrimental to the delivery of the ECC Wellbeing, Public Health, and Communities business plan and reduce the impact on the delivery of Everyone's Essex strategy. It would also not be consistent with the OHID requirement to utilise the reserve to catch up on undelivered programmes and address wider health issues and inequalities in the population. Maintaining ECC's significant balance within the public health reserve is open to the risk that OHID will potentially look to claw back unspent funds in the future and the opportunity to use them to support the health of our residents and wider ECC public health strategy will be lost.

6 Issues for consideration

6.1 Financial implications

6.1.1 The Public Health grant is a ringfenced grant awarded and allocated annually by the Department of Health and Social Care to enable Essex County Council to meet its statutory public health functions within the county. Annually, any underspend of the grant at year end is transferred to the Grant Equalisation reserve which remains ringfenced for expenditure in line with the same criteria as set out within the grant conditions. The current level of funding in the Grant Equalisation Reserve has increased over the past few years due significantly to under-delivery of key statutory and discretionary services during the pandemic.

6.1.2 The Public Health grant awarded to Essex County Council in 2022/23 equated to £65.6m. The latest Spending Review confirmed that the grant will be maintained in real terms, however, no announcement has yet been made for funding levels in 2023/24.

6.1.3 The current level of the Grant Equalisation reserve relating to Public Health is set out in the table below. Drawdowns on the reserve refer to existing decisions that have been agreed as appropriate use of funds. There has been no assumption in respect of future years additions to the reserve from any future underspend of the annual public health grant awarded:

	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Reserve B/F	8,165	9,934	9,130	9,130	9,130
Less: Agreed drawdowns from reserve	(231)	(804)	0	0	0
Estimated addition to reserve from remainder of in year funding	2,000	0	0	0	0
Reserve C/F	9,934	9,130	9,130	9,130	9,130

6.1.4 The PHAB Programme will award funding based on 2 levels. Small grants (defined as up to £15,000) and large grants in excess of £15,000 with no upper limit. Grants are to be awarded within the restraint of affordability up to the maximum £8m initially allocated to the programme. An application assessment process will enable fair assessment against the criteria, within which, financial affordability will form a key element.

6.1.5 Resourcing the programme effectively will require additional staffing on a fixed term basis for the programme's 3-year duration from 2023/24 onwards. The estimated total cost of the additional headcount is £500,000 over 3 years (c.£165,000 per annum) which will be funded from within the overall envelope of £8m available for the PHAB programme. Any additional resource requirement over and above this would be sourced from existing capacity.

6.1.6 A minimum balance of £1m will be retained in the Grant Equalisation reserve to mitigate the risk arising from unexpected costs of public health programme pressures. In the event of a significant new public health crisis (nationally or locally) or other, unfunded government directed public health requirement, the PHAB Programme will be suspended until a thorough risk assessment and financial due diligence on the sufficiency of the reserve has been carried out. ECC will reserve the right to suspend the PHAB programme at any time in order to manage the risk of potential other priority calls on the reserve.

6.1.7 Should the risk materialise that the public health grant decreases in 2023/24 or in future years, prioritisation of commitments against the grant will need to be reviewed to ensure that existing public health contractual commitments are still affordable. If there are resulting ongoing pressures, drawdowns from the Public Health reserve may be required to mitigate them which would limit the funding available for the PHAB programme. A financial risk assessment would be required to reassess the maximum availability of funding for the programme in this instance.

6.2 Legal implications

6.2.1 All applications for grants under the PHAB Programme will be agreed by the Director of Public Health.

6.2.2 Written grant agreements will need to be in place to ensure the grants are spent in accordance with the relevant bids for funding and these need to be on terms and conditions approved by the Monitoring Officer.

6.2.3 When making grants, the Council must consider whether such grants and the grant recipient comply with the subsidy control rules, particularly if 'for profit' organisations bid for funding.

6.2.4 It is important that a clear and fair process is used to invite bids and decide between competing priorities.

7 Equality and Diversity Considerations

7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

8 List of Appendices

8.1 Appendix 1 - Public Health and Communities Business Plan (2022-25)

8.2 Appendix 2 - Equalities Comprehensive Impact Assessment

9 List of Background papers

None