## **CITY** INTELLIGENCE

# Public health funding for local authorities in London (2025/26)

July 2025

### Introduction

Local authorities in London receive funding for public health activities from central government. The public health grant allocation was published for the financial year 2025/26 on 7 February 2025.

The 2025/26 public health grant allocation for London is just over £783m.

This note sets this figure in context, showing:

- How this funding has changed over time
- How it compares to the rest of England
- How it compares in 'real terms', and per head of population

Greater London Authority (GLA) Group Public Health and GLA City Intelligence have collaboratively produced this report.



Responsibility for public health was devolved to local authorities in 2013/14, over ten years ago. Local authorities are responsible for improving the health of their local population. There are some prescribed functions:

- sexual health services (STI testing, treatment, and contraception)
- some 0-5 children's services (health visiting)
- adult health checks
- national child measurement programme
- a role in health protection
- advising NHS commissioners

In October 2015, further responsibilities and additional funding for children under the age of five were transferred to local authorities (NCB 2016).

There are several other functions they are expected to fulfil, including reducing inequalities and improving uptake and outcomes from drug and alcohol services.

In 2025/26, London boroughs have been allocated **£783m** of public health grant funding, compared to  $\pounds$ 743m in 2024/25.

### Additional funding

In 2025/26, the Department of Health and Social Care (DHSC) is providing a total of £310 million in additional targeted grants to improve services in line with the recommendations from <u>Dame Carol Black's</u> independent review. This builds on the confirmed allocations through the public health grant published in February 2025.

In line with government policy, for 2025/26, several grants that were previously used to support drug and alcohol treatment and recovery have been consolidated into a single drug and alcohol treatment and recovery improvement grant (DATRIG). These grants are the:

- supplemental substance misuse treatment and recovery grant
- rough sleeping drug and alcohol treatment grant (RSDATG)
- housing support grant
- inpatient detoxification grant

In 2025/26, London local authorities will receive approximately £59.1m of <u>DATRIG funding</u>. Within this, part twenty-four London local authorities will receive approximately £15.5m of RSDATG funding. This commitment will fund local areas to implement evidence-based drug and alcohol treatment and wraparound support for people sleeping rough or at risk of sleeping rough, including those with co-occurring mental health needs.

In 2025/26, government is investing an additional  $\pounds$ 70m to support <u>local authority led stop smoking</u> <u>services</u>. This funding supports the government's commitment to create a smoke-free generation, alongside the tobacco and vapes bill. London local authorities, including City of London, will receive approximately  $\pounds$ 10m in total.

Some councils will continue to receive a separate <u>individual placement and support (IPS) grant</u> for 2025 to 2026. Across London, approximately £3.5m of additional funding is available.

Analysis: key points

- From 2013/14, since the public health grant was allocated to local authorities, it has decreased in real terms in London and across the rest of England.
- In real terms, core public health grant spending (excluding spending on under-5s and COVID-19) has fallen by 23 per cent in London from 2013/14 to 2024/25. This compares to a decrease of 16 per cent in the rest of England since 2013/14.
- Using ONS population projections, from 2024/25 to 2025/26, real funding per head will increase by 2.6 per cent in London and 2.5 per cent in the rest of England. Using GLA population projections, real funding per head will increase by 2.5 per cent in London.

Context: public health spending in London since 2013/14

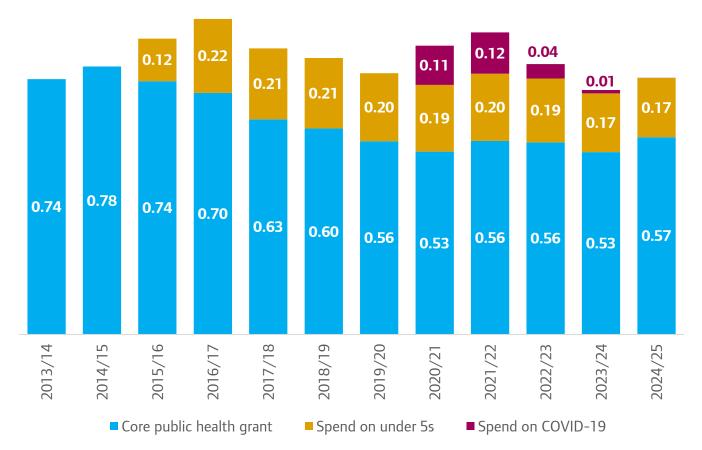
The public health grant allocated to London local authorities is determined based on the advice of the independent Advisory Committee on Resource Allocation (ACRA). Allocations have remained closely linked to the baselines established when public health responsibilities moved to local government in 2013.

National analysis undertaken by the <u>Health Foundation</u> found that real-terms per person cuts to the grant have tended to be greater in more deprived areas. Our rapid analysis of the 2025/26 allocations shows significant variation across London boroughs, with funding per head ranging from £46.07 to £212.39.

Figure 1 illustrates the changes in core public health funding across London boroughs from 2013/14 onwards. The data is segmented into three key components:

- 1. **Core public health grant**: This represents the baseline funding allocated to local authorities for public health services, excluding expenditures related to children under five and COVID-19.
- Under-fives funding: Starting in October 2015, local authorities assumed responsibility for public health services for children aged 0–5 years, including health visiting and family nurse partnerships. Consequently, additional funds were incorporated into the public health grant to support these services. This segment of the chart captures the supplementary funding provided for under-fives from the 2015/16 financial year onwards. This approach aligns with the methodology outlined by The King's Fund.
- 3. **COVID-19 response funding**: From 2020/21 to 2024/25, the chart includes expenditures related to the COVID-19 response, encompassing activities such as testing, contact tracing, outbreak planning, and other public health measures. Notably, there is a small amount of budgeted spend on COVID-19 in 2024/25, approximately £28,000 in cash terms.

This figure provides a comprehensive view of how core public health funding has evolved over time, independent of additional responsibilities and associated funding for early years services and pandemic response efforts.



### Figure 1: Net revenue public health spending in London local authorities, 2013/14 to 2024/25 (£bn, 2023/24 prices)

**Source**: Ministry of Housing, Communities and Local Government, Analysis of local authority revenue expenditure and financing, 2013/14 to 2024/25; HM Treasury, GDP deflators at market prices, and money GDP December 2024 (Quarterly National Accounts)

**Notes**: data is in real terms (monetary value after adjusting for inflation) based on 2023/24 prices. 2024/25 (rounded) figures based on budgeted figures. 'Core public health grant' was known as 'like-for-like time series' in previous versions of this publication.

### Key points

In real terms, core public health grant spending has fallen by 23 per cent in London from 2013/14 to 2024/25. This compares to a decrease of 16 per cent in the rest of England since 2013/14.

Including spend on under-fives, real spending by London local authorities has stayed the same since 2013/14, compared to a 12 per cent increase in the rest of England. Combining all the categories (core public health grant, spend on under 5s and on COVID-19), real spending in London has increased by 0.4% (2013/14: £0.74bn; 2024/25: £0.75bn, in 2023/24 prices), compared to a 12% increase for the rest of England (2023/14: £2.8bn; 2024/25: £3.1bn, in 2023/24 prices).

### 2025/26 Public health grant allocation

In 2025/26, London boroughs were allocated  $\pounds$ 783m of public health funding through the public health grant, compared to  $\pounds$ 743m in 2024/25.

DHSC have provided estimates of what this funding means in per head terms, using 2018-based population projections produced by ONS.

Table 1 compares the 2024/25 and 2025/26 figures, in real terms, using both the ONS population projections and our own 2022-based GLA Population Projections. The latter is regarded as a better estimate of London's population, by GLA City Intelligence.

Using ONS population projections, in 2025/26, real funding per head will increase by 2.6 per cent in London, and by 2.5 per cent in the rest of England (compared with 2024/25). Using GLA population projections, real funding per head will increase by 2.5 per cent in London.

Funding per head is similar in London compared to the rest of England, and the real change per head in funding between 2024/25 and 2025/26 is similar in London and the rest of England.

### Table 1: Comparison of 2024/25 and 2025/26 Public Health Grant Allocations

Public Health Grant Allocations (including COVID-19 and spending on under 5s) in 2024/25 and 2025/26 presented in cash terms (monetary value), real terms (monetary value after adjusting for inflation) based on 2023/24 prices, and per head

	London	Rest of England
2024/25		· · · · · ·
Cash terms	<i>£</i> 0.74bn	<i>£</i> 2.92bn
Real terms (2023/24 prices)	<i>£</i> 0.73bn	£2.85bn
Real per head (ONS projections)	£78.68	£58.63
Real per head (GLA projections)	£80.19	
2025/26		
Cash terms	£0.78bn	£3.08bn
Real terms (2023/24 prices)	<i>£</i> 0.75bn	<i>£</i> 2.93bn
Real per head (ONS projections)	£80.74	£60.11
Real per head (GLA projections)	£82.22	
Percentage change from 2024/25		
Cash terms	+5.4%	+5.4%
Real terms (2023/24 prices)	+3.0%	+3.0%
Real per head (ONS projections)	+2.6%	+2.5%
Real per head (GLA projections)	+2.5%	

**Source:** Public health grants to local authorities: 2025 to 2026; HM Treasury, GDP deflators at market prices, and money GDP December 2024 (Quarterly National Accounts); ONS subnational population projections (2018 based); GLA population projections (2022-based 10-year migration central fertility identified capacity)

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