CITY INTELLIGENCE

Public health funding for local authorities in London (2024/25)

March 2024

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 2024/25 on 5 February 2024.

The 2024/25 public health grant allocation for London is just over £730m.

This note sets this figure in context, showing:

- · How this funding has changed over time
- · How it compares to 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
- There are several other functions they are expected to fulfil, including reducing inequalities and improving take up and outcomes from drug and alcohol services.

In 2024/25, London boroughs were allocated £0.73bn of public health funding through the public health grant, compared to £0.71bn in 2023/24.

In addition there have been a number of separate annual tranches of funding (2022-2025). In 2024 to 2025, the Department of Health and Social Care (DHSC) is providing £40million in additional grants in London to improve drug treatment services. The Government has also provided up to £9.7m million to support local authority led stop smoking services in London 2024 to 2025. To receive this funding local authorities must maintain their existing spend, and this additional short term ring-fenced funding cannot be used for other public health services provided by local authorities.

What does our analysis show?

- In the last decade, since the public health grant was allocated to local authorities, it has decreased in real terms, both in London and across England. In London the amount of funding per person is lower than in 2023/24 due to both inflation cost-pressures and a growing population.
- In real terms, like-for-like spending has fallen by 27 per cent since 2013/14. Including spend on under fives, real spending has fallen by 23 per cent since 2016/17. Equivalent figures for the rest of England are 18 per cent and 17 per cent respectively.
- Using ONS population projections, in 2024/25, real funding per head will increase by 0.1 per cent in London, though is static in the rest of England (0.0 per cent change). Using GLA population projections, real funding per head will fall by 0.3 per cent in London.
- There has been additional funding, beyond the public health grant and not included in the analysis above, specifically for drug treatment services and stop smoking services.

Context: spending on public health in London since 2013/14

Responsibility for public health was devolved to local authorities in 2013/14. They are responsible for improving the health of their local population and for public health services including most sexual health services and services aimed at reducing drug and alcohol misuse (Heath 2014).

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

The chart below shows how total spend for public health in London boroughs has changed since 2013/14, dividing funding into a like-for-like component_(the 'core' public health grant), which excludes spend on children under five; and the additional spending on under-fives from 2015/16 (using the method in <u>King's Fund 2018</u>)¹.

City Intelligence 2

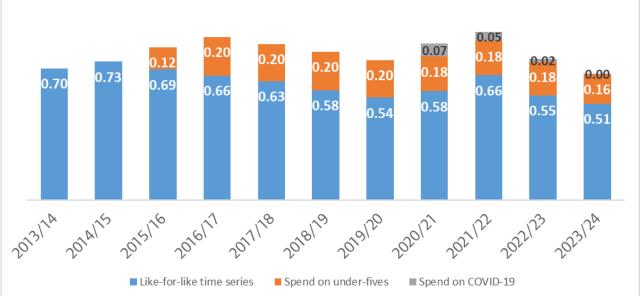
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¹ 2016/17 is the "baseline" year for spend on 0-5s, as it was the first full year of the allocation.

2020/21 to 2022/23 also shows the spend on the COVID-19 response (test, track & trace and outbreak planning and other public health spend relating to COVID-19). There is a small amount of budgeted spend on COVID-19 in 2023/24 (due to rounding this appears as zero on the graph below, but is around £800,000).

This shows that in real terms, like-for-like spending has fallen by 27 per cent since 2013/14. Including spend on under fives, real spending has fallen by 23 per cent since 2016/17. Equivalent figures for the rest of England are 18 per cent and 17 per cent respectively.





Source: Ministry of Housing, Communities and Local Government, Analysis of local authority revenue expenditure and financing, 2013/14 to 2023/24; HM Treasury, GDP deflators at market prices, and money GDP November 2023 (Autumn Statement):

Notes: data is in 2022/23 prices. 2023/24 figures based on budgeted figures.

2024/25 Public Health Grant Allocation

In 2024/25, London boroughs were allocated £0.73bn of public health funding through the public health grant, compared to £0.71bn in 2023/24.

The DHSC have provided estimates of what this funding means in per head terms, using 2018-based population projections produced by the Office for National Statistics (ONS).

The table below compares the 2023/24 and 2024/25 figures in real terms, using both the ONS population projections and our own GLA Population Projections, which GLA City Intelligence regard as a better estimate of London's population.²

City Intelligence 3

² The calculations using the public health grants to local authorities for 2023/24 are based on the Core allocation and excludes the Notional Botox and Fillers Grant.

Funding per head is higher in London, and the real per head change in funding between 2023/24 and 2024/25 is slightly higher in London than across the rest of England, though both changes are roughly zero.

Using ONS population projections, in 2024/25, real funding per head will increase by 0.1 per cent in London, though is static in the rest of England (0.0 per cent change). Using GLA population projections, real funding per head will fall by 0.3 per cent in London.

Table comparing 2023/24 and 2024/25 public health grant allocations, using ONS and GLA population projections for London, and ONS population projections for the rest of England

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	London	Rest of England
2023/24		
Cash terms	£0.71bn	<i>£</i> 2.8bn
Real (2022/23 prices)	£0.67bn	<i>£</i> 2.7bn
Real per head (ONS projections)	£73.3	£54.8
Real per head (GLA projections)	£74.5	
2024/25		
Cash terms	£0.73bn	<i>£</i> 2.9bn
Real (2022/23 prices)	£0.68bn	<i>£</i> 2.7bn
Real per head (ONS projections)	£73.4	£54.8
Real per head (GLA projections)	£74.3	
Percentage change from 2023/24		
Cash terms	2.2%	2.1%
Real (2022/23 prices)	0.5%	0.4%
Real per head (ONS projections)	0.1%	0.0%
Real per head (GLA projections)	-0.3%	

Source: Public health grants to local authorities: 2024 to 2025; HM Treasury, GDP deflators at market prices, and money GDP November 2023 (Autumn Statement); GLA population projections

City Intelligence 4

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