



# The Association of Directors of Public Health

## Briefing: Public Health Funding

This briefing presents the public health funding landscape across the UK, including ADPH's recommendations for how we can reform what is spent on public health funding – and indeed how it is spent – to ensure people can live healthier, happier and more productive lives.

It aims to support our partners at a local and national level to understand the constraints Directors of Public Health (DsPH) operate within and join us in campaigning for a more significant and sustainable funding package.

## Summary

### Context

- Cuts to public health funding over the past decade have had a severe effect on health and wellbeing.
- Public health funding is used by Directors of Public Health and their local public health teams across the UK to fund vital areas such as children's services, drug and alcohol services, and sexual health services and to enable partnership working.
- Over the past decade, there have been cuts to public funding across the UK, including a 27% real-terms per person cut in the value of the public health grant in England.<sup>1</sup>
- Local public health teams play a critical role in keeping the nation healthy, but improving people's health is impossible without the necessary funding.
- Whilst one off funding pots have been introduced for specific causes and areas (eg drug and alcohol treatment funding), these are insufficient to improve public health in the long term across the whole of the UK.
- The building blocks of health like our homes and our schools require sufficient funding.
- Investment in prevention and public health is a pragmatic solution to the challenge of how to achieve a healthier more prosperous nation.

### Recommendations

- The Government should restore the public health grant to its 2015/16 real-terms per person value. Equivalent investment should be made in public health in the devolved nations.
- All national Governments should ensure health and wellbeing is built into the fabric of their decision-making both when it comes to policy development and funding allocation.
- Funding for Integrated Care Systems and public health partners within the NHS should be increased specifically to meet the costs of shifting towards prevention and away from treatment.
- Targeted funding should be available to wider Government departments that work more broadly in public health.

## Context

Cuts to public health funding over the past decade have had a severe effect on health and wellbeing.<sup>1</sup> Across the UK, smoking is the leading cause of premature and preventable death, over a quarter of adults are living with obesity, and one in six adults are experiencing mental health issues.<sup>2,3,4</sup>

It is absolutely right that we invest in healthcare, but investment in this area is only one piece of the puzzle. If we want to improve health and wellbeing for everyone in our society over the long term, then we must also invest in public health and upstream intervention.

Only a small proportion of people's health – just 10 to 20% – is determined by access to traditional health services.<sup>5</sup> The remainder is shaped by our economic, social and environmental conditions such as our income, the education we receive, the housing we live in, the transport we use, and the air we breathe.

Local public health teams play a critical role in keeping the nation healthy, but without the necessary funding, improving people's health is not possible.

ADPH argues for a range of policies and regulations in other publications which are not focused on financial investment. However, DsPH are clear that the status quo of short funding settlements and real-terms cuts to the budgets that could transform wellbeing is harming the communities they serve; it is time to change course.

## The picture across the UK

### England

In England, the Department of Health and Social Care (DHSC) which is part of the wider UK national Government, is the body responsible for public health at a national level. National public health executive functions sit across the Office for Health Improvement and Disparities (OHID) for health improvement and funding, and the UK Health Security Agency (UKHSA) for health protection. Local authorities (LAs) in England receive public health grant funding to support health at a local level. DsPH are responsible for how their LA uses the grant based on the needs of their local population. The impact of the work is captured in the Annual Public Health Reports which DsPH and their teams produce each year (in England, DsPH are legally bound to produce this report). The Public Health Outcomes Framework (a tool which examines public health indicators) also presents data at a LA level every quarter to show how the health and wellbeing of local populations is changing across a range of health measures.<sup>6</sup>

In 2023/24 the public health grant allocation totalled £3.5 billion for all LAs across England to spend on public health.<sup>7</sup> Each LA is designated a specific amount, which is also published by DHSC on an annual

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<sup>1</sup> The Health Foundation. Public Health Grant: What it is and why greater investment is needed. Available [online](#). Last accessed: July 2024.

<sup>2</sup> The Association of Directors of Public Health. Policy Position: Tobacco. Available [online](#). Last accessed: July 2024.

<sup>3</sup> The Association of Directors of Public Health. Policy Position: Healthy Weight. Available [online](#). Last accessed: July 2024.

<sup>4</sup> The Association of Directors of Public Health. Policy Position: Mental Health. Available [online](#). Last accessed: July 2024.

<sup>5</sup> Hood, C. M., K. P. Gennuso, G. R. Swain, and B. B. Catlin. 2016. County health rankings: Relationships between determinant factors and health outcomes. *American Journal of Preventive Medicine* 50(2):129-135. Available [online](#).

<sup>6</sup> Office for Health Improvement and Disparities. Public Health Outcomes Framework. Available [online](#). Last accessed: July 2024.

<sup>7</sup> Department of Health and Social Care. Public health grants to local authorities: 2023 to 2024. Available [online](#). Last accessed: July 2024.

basis.<sup>8</sup> For the 2023/24 year, an additional drug and alcohol treatment funding allocation was also granted to LAs within England. This fund equated to £154.3 million in additional grants.<sup>9</sup> There was also funding available for the 2023/24 year for establishing Family Hubs, although this funding was only available to half of upper tier local authorities, worth £301.75 million.<sup>10</sup>

In Greater Manchester, the ten LAs (Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan) are piloting a Business Rate Retention (BRR) scheme for public health and no longer receive the ring-fenced grant from DHSC.<sup>11</sup> BRR schemes were developed to enable greater autonomy for local government and to help move LAs away from dependency on central Government grants and towards self-sufficiency. In areas with increased BRR arrangements, the LAs have agreed to forgo other funding streams in return for higher shares of business rates. LAs in Greater Manchester must still deliver their statutory and mandatory public health responsibilities (in accordance with Section 73B (2) of the NHS Act of 2006).<sup>11</sup>

Beyond the funding that is given directly to LAs, there are other funding streams which go towards supporting public health in England. These include the funding that goes to the NHS, such as the Health Inequalities Fund (Core20+5), and the funding that is given for Section 7a Services such as immunisation and screening programmes.<sup>12,13</sup> The UK Government can also fund improvements in health and wellbeing in other ways through departmental funding such as the levelling up fund.<sup>14</sup>

## Scotland

In Scotland, the Scottish Government is responsible for public health policy and Public Health Scotland is the national Public Health Agency. Local public health responsibilities are housed within the 14 Territorial NHS Boards. DsPH and their teams sit within NHS Boards and lead local public health functions. There are core functions which DsPH are responsible for such as addressing inequalities, health improvement, health protection, screening and immunisation. Wider functions may be covered by these teams, or they may sit elsewhere such as health improvement and smoking cessation.

There is variation in funding between each Health Board in Scotland, some of which is historical, and some is based on local structures and what is included within each department. The core funding comes from the Scottish Government via NHS Scotland but there are also some health related funds given to local authorities in Scotland (Scottish DsPH are not directly within LAs but do have an influence on how this funding is used). During the pandemic, local public health teams were given additional funding of £5.5m per annum which has since been made recurring and added to core funding, and is a welcome addition. There are also a variety of non-recurring funding pots which can be given for a specific number of years and sit outside the core funding as they are designated for specific programmes of work.

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<sup>8</sup> Department of Health and Social Care. Public health ring-fenced grant 2023 to 2024: local authority circular. Available [online](#). Last accessed: July 2024.

<sup>9</sup> Department of Health and Social Care. Extra funding for drug and alcohol treatment: 2022 to 2023. Available [online](#). Last accessed: July 2024.

<sup>10</sup> HM Government. Family Hubs and Start for Life programme guide. August 2022. Available [online](#). Last accessed: July 2024.

<sup>11</sup> Department for Levelling Up, Housing and Communities. February 2023. Available [online](#). Last accessed: July 2024.

<sup>12</sup> NHS England. NHS Long Term Plan. Chapter 2: More NHS action on prevention and health inequalities. Available [online](#). Last accessed: July 2024.

<sup>13</sup> Department of Health and Social Care. NHS public health functions agreement 2023 to 2024. Available [online](#). Last accessed: July 2024.

<sup>14</sup> UK Government. Levelling Up. What is levelling up? Available [online](#). Last accessed: July 2024.

## Wales

In Wales, the Welsh Assembly Government is the national authority responsible for public health. Public Health Wales is the national Executive Body for Public Health and is part of NHS Wales. DsPH and their functions are housed within the seven Local Health Boards in Wales, and funding for public health services comes through NHS Cymru. DsPH are system leaders for public health across their Health Board region, working with Public Health Wales to collectively protect and improve health and wellbeing and reduce inequalities across Wales.

Similarly to Scotland, the public health funding landscape is less well defined than in England, and therefore it is difficult to directly compare spending between Wales and England. Local Health Boards receive annual allocations and additionally, there is direct expenditure on specific budget lines from the Welsh Government which come in the form of grants against specific deliverables. In addition, and similar to Scotland and England, there are ad hoc pots of funding (usually for specific areas) such as a fund specifically for managing the transition out of Covid-19. This ad-hoc fund was given on top of existing funding for health protection. Funding for health protection has now been added as recurring funding as part of the overall Health Board allocation.

### How is public health funding being used across the UK?

Public health funding is used by local public health teams across the UK to fund vital areas such as children's services, drug and alcohol services, and sexual health services. In England, the public health grant has specific spending categories which are used when reporting to demonstrate how the money is used by LAs.<sup>8</sup> These are divided into prescribed functions (eg public health advice to NHS Commissioners) and non-prescribed functions (eg stop smoking services and interventions).<sup>8</sup>

## A recent history of public health funding in England

### Public health grant

When DsPH moved into LAs in 2013, the initial funding for each area was allocated on a historic basis, based on existing spend from when DsPH were part of the NHS.<sup>15</sup> A fairer formula has been considered by the Advisory Committee on Resource Allocation (ACRA), but progress has stalled, and cuts continue to disproportionately hit the poorest communities.<sup>16</sup>

The first two sets of allocations (2013/14 and 2014/15) were released together in 2013, however since then the funding has been allocated annually for the following financial year.<sup>10</sup> The release of the grant allocations on an annual basis creates challenges for long term public health planning in LAs. Planning for the next financial year has been especially difficult in recent years as allocations have come as late as March.

Over the past decade, there has been a 27% real-terms per person cut in the value of the grant.<sup>1</sup> Cuts to the grant funding have affected certain services more severely than others, for example, sexual health services, public health advice and children's services (both 0 – 5 and 5 – 19 year olds).<sup>1</sup> In addition to the

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<sup>15</sup> Department for Health and Social Care. Public health grants to local authorities from 2013 to 2016. Available [online](#). Last accessed: July 2024.

<sup>16</sup> Department for Health and Social Care. Discussion paper regarding the Public Health Grant allocation formula by the Department of Health and Social Care. Available [online](#). Last accessed: July 2024.

cuts being felt unevenly across different services, there have also been more severe real-terms cuts per person in the most deprived areas of England.<sup>1</sup> DsPH and their teams have driven reforms to improve efficiency and value for money whilst also protecting their local populations. However, there is a limit to what can be achieved amidst increasing demand and less and less funding available. The reduction in the value of the grant must be reversed in order to improve health and wellbeing. Investing more in public health to promote healthier lives would help conserve funds, create a healthier, more productive society and reduce demand on the NHS.

### **One-off funding streams**

In recent years, the Government has provided new, short-term funding to local authorities. Given the cuts outlined, this has been welcome and put some money back into the system. DsPH have been working hard locally to ensure this investment delivers good outcomes for their communities. However, it is also true that one-off pots for long-term public health challenges have practical downsides such as challenges with internal governance, problems with recruitment and retention and inability to innovate effectively. Vital services are now financially supported precariously by short-term funding pots.

The biggest challenge associated with one-off funding streams is uncertainty and the resulting instability, which means that if the funding disappears then disinvestment happens very quickly. If funding is not secured, then the staff who have been recruited will also disappear and their skills lost. This compounds existing workforce issues. This is especially true when what is covered by the funding is not a statutory responsibility under the public health grant.

Some examples of one-off funding streams include:

- The adult weight management services grant<sup>17</sup>
- Drug and alcohol treatment funding<sup>9</sup>
- Covid-19 related funding<sup>18,19</sup>
- Family hubs transformation funding<sup>10</sup>
- Local smoking cessation services and support grants<sup>20</sup>

In England, the public health grant, which was already constrained by central direction in many areas, has become progressively more constrained by the hypothecation of any uplift. Moreover, this hypothecation is driven by an individually focused model of intervention – with the uplift focusing more on individual treatment rather than wider prevention (see examples listed above). As such, these grants have been treated less as an approach to public health improvement and more similarly to treatment-based intervention.

## **Funding for the wider determinants of health**

Building a healthy society is similar to constructing a sturdy building. To create a society where everybody can thrive, we need all the right building blocks in place: stable jobs, good pay, quality housing and good

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<sup>17</sup> Department for Health and Social Care. Adult weight management services grant determination 2021 to 2022. Available [online](#). Last accessed: July 2024.

<sup>18</sup> Audit Scotland. NHS in Scotland 2022. Available [online](#). Last accessed: July 2024.

<sup>19</sup> NHS Wales. Integrated Performance Monitoring. Available [online](#). Last accessed: July 2024.

<sup>20</sup> Department for Health and Social Care. Local stop smoking services and support: additional funding. Available [online](#). Last accessed: July 2024.

education.<sup>21</sup> These building blocks are referred to as the wider determinants of health. All of these areas need sufficient funding to ensure good health for local populations.

Whilst specific funding streams, such as the public health grant are vital, increases in overall public health funding should be broad-based and make use of opportunities and mechanisms to boost investment through all available routes including the Department for Transport; Department for Levelling Up, Housing and Communities; Home Office and other Government departments.

Health in All Policies (HiAP) is ‘an approach to public policies across sectors that systematically consider the health implications of decisions, seeks synergies and avoids harmful health impacts to improve population health and health equity’.<sup>22</sup> It is an established approach to improving health and health equity through cross-sector action on the wider determinants of health.<sup>22</sup>

A HiAP approach would establish health and wellbeing as key priorities across the whole of Whitehall. Whether through transport, housing, fiscal or employment policies, decisions taken across national Government have the potential to create the conditions for healthy lives. Implementing HiAP would mean more investment could be leveraged to achieve health aims, for example by channelling a higher proportion of transport budgets into active travel.<sup>23</sup> In the case of active travel, there are wins on multiple fronts as this is not only good for health but also for the environment.

## Recommendations

For too long, a short-term approach to public health funding has been taken, yet improving the public's health will take decades not years. Our recommendations require a shift in the mindset of politicians and policymakers and a focus on outcomes – namely the public's health. We will continue to work with partners and politicians to develop the arguments and recommendations outlined below.

**The Government should restore the public health grant to its 2015/16 real-terms per person value. Equivalent investment should be made in public health in the devolved nations. The public health grant should be announced with sufficient notice and as multi-year settlements to improve long-term planning.**

Public health interventions provide excellent value for money, with the costs being three to four times lower than the cost resulting from NHS interventions.<sup>24</sup> Additional funding is required for a variety of elements within public health, such as investment in the specialist workforce (including the voluntary and community sector) and practice improvement. Long term, sustainable investment in public health is key to improving the health of the UK and its increase should be high on the agenda of the next Government. Budgets should be shifted away from a short-term model for public health teams to be able to make decisions with the knowledge that there will be sufficient long-term funding available.

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<sup>21</sup> Health Equals. Building blocks. Available [online](#). Last accessed: July 2024.

<sup>22</sup> The Association of Directors of Public Health. Health Inequalities Policy Position Statement 2023. Available [online](#). Last accessed: July 2024.

<sup>23</sup> Public Health England, Local Government Association. Local wellbeing, local growth. 2016. Available [online](#). Last accessed: July 2024.

<sup>24</sup> Stephen Martin et al. Is an ounce of prevention worth a pound of cure? Estimates of the impact of English public health grant on mortality and morbidity. Centre for Health Economics, University of York, UK. CHE Research Paper 166. Available [online](#). Last accessed: July 2024.

**All national Governments should ensure health and wellbeing is built into the fabric of their decision-making both when it comes to policy development and funding allocation.**

Too often health is a second order priority when it should be the foundation on which to build social and economic prosperity. The Government must create conditions in which health can flourish. Health is affected by a diverse range of social, economic, and environmental factors, and as such across all Government departments improving health and wellbeing should be considered as a key outcome. The levers of tax, regulation, and policy should be fully utilised to tackle the biggest public health challenges – including climate change, child poverty, and health inequalities – comprehensively. Some national Governments across the UK have made more progress in achieving this than others - the Welsh Government have introduced legislation with the Wellbeing of Future Generations Act and the Scottish Government is in the process of developing its 10 Year Population Health Plan. Each country should continue to build on what it has already achieved to ensure health and wellbeing is comprehensively addressed.

**Funding for Integrated Care Systems and public health partners within the NHS should be increased specifically to meet the costs of shifting towards prevention and away from treatment. Targeted funding should be available to wider Government departments that work more broadly in public health.**

Public health work is not conducted exclusively by local public health teams. People are working on prevention within NHS England\*, ICSs and the wider UK Government.

The NHS needs to spend a larger proportion of its budget on achieving good public health outcomes. Investment in prevention within the NHS should be increased year on year as this will reduce the investment required for treatment. In England, increased investment in prevention should extend beyond the NHS to ICSs as well.<sup>25</sup> The share of total NHS budgets at ICS level going towards prevention should be increased by at least 1% over the next five years.<sup>25</sup> Ideally, this should be increased to between 10 – 20% of its total budget at the ICS level.

Whilst specific funding streams such as the public health grant are vital, increases in overall public health funding should be broad-based and make use of opportunities and mechanisms to boost investment through all available routes, including the Department for Transport; Department for Levelling Up, Housing and Communities; Home Office and other Government departments. This will ensure a HiAP approach and establish health and wellbeing as key priorities across the whole of Whitehall.

\*Public health teams in Scotland and Wales sit within the NHS therefore only NHS England is referenced.

## Conclusion

People's health and wellbeing are dependent on far more than just their access to healthcare. To improve the health of people across the UK, we must increase upstream investment in prevention and wider public health measures.

The current public health funding landscape, shaped heavily by the reductions it has seen in the past decade, is insufficient to provide local populations with the investment in their future that they deserve.

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<sup>25</sup> Rt. Hon Patricia Hewitt, UK Government. The Hewitt Review: An independent review of integrated care systems. 2022. Available [online](#). Last accessed: July 2024.

Short term solutions, such as one to two years of additional funding, are not enough to combat decreased investment over the long term. This is especially true in key public health issues such as tobacco, drugs and alcohol, and obesity.

We need a change in our approach to public health funding if we want to achieve significant change. Local public health teams demonstrate that they can do incredible work in their local communities when they receive the investment to do so. However, without the necessary funding, improving people's health is not possible.

We need the ambition that is expressed locally to be mirrored across the system and to be matched by resources at a national level. Everybody across the UK should have clean air to breathe, healthy and affordable food to eat, and high-quality homes to live in.

Calls for increased funding should not be limited to local public health teams though, sufficient funding for LAs across the UK is key to addressing the wider determinants of health. Additional funding for prevention and a renewed commitment are needed across the Government to truly tackle the root issues of ill health and wellbeing. Investment in prevention and public health is a pragmatic solution to the challenge of how to achieve a healthier, more prosperous nation.