



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

Thursday, 11 January 2024

Report of the Director - Public Health

Update on the development of a partnership agreement and collaborative approach to physical activity provision in Derbyshire.

(Cabinet Member for Health and Communities)

1. Divisions Affected

1.1. County-wide

2. Key Decision

2.1. This is a key decision because it is likely to result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned (this is currently defined at £0.500m).

3. Purpose

3.1. The report updates Cabinet that work has been completed to set up a partnership agreement for physical activity services which include exercise by referral, led walks programme, looked after children and Jog Derbyshire, as per delegated decision to the Director of Public Health on 08 September 2021.

3.2. The paper asks Cabinet to approve the transfer of £3.201m to Active Partners Trust from 01 April 2024, for five years until 31 March 2029, to manage and implement the approach outlined in the partnership agreement to ensure improvement in physical activity outcomes for

people living with long term conditions and those with the greatest inequalities.

- 3.3. Cabinet is asked to note that the funding for the partnership agreement will come from the ringfenced Public Health Grant and supports Public Health's responsibilities to improve the health of the population.

4. Information and Analysis

- 4.1. On 8 September 2022 Cabinet approved changes to how some Derbyshire County Council physical activity services are funded, specifically those aimed at people living with long term conditions and those with the greatest health inequalities. This included moving from a model of grant funding organisations for service delivery to a collaborative model through the development of a Physical Activity Partnership Agreement.
- 4.2. Delegated decision making was given to the Director of Public Health to approve the associated service specification and partnership agreement.
- 4.3. The approval of the decision to move to collaborative delivery has been influenced by:
- Integrating the physical activity system across the county.
 - Securing best value and outcomes for the resources invested.
 - Meeting the Council's financial regulations and providing long term commissioning rather than short term grant funding.
 - Providing a more sustainable offers of activities for residents
 - Engaging new partners as part of a whole system approach to physical activity.
- 4.4. It was agreed that a partnership agreement would be formed between Derbyshire County Council and Active Partners Trust. Active Partners Trust would lead on the development of a new collaborative model and partnership approach bringing together existing physical activity partners, including district and borough councils and Peak Running to develop a more integrated approach to physical activity services across the county.
- 4.5. **Progress on developing a partnership agreement:** A legal agreement and associated specification for the partnership has been written and signed off.

- 4.6. Representatives from Derbyshire County Council and Active Partners Trust have been meeting on a weekly basis to ensure the development the necessary processes and documents are in place for the commencement of the partnership agreement and collaborative approach.
- 4.7. The Physical Activity Partnership Agreement between the Council and Active Partners Trust will come into effect on 01 April 2024, for a period of 5 years until 31 March 2029.
- 4.8. **Development of new a new collaborative approach:** Active Partners Trust are forming a collaborative partnership with existing partners who are currently delivering physical activity services. These partners will form locality consortiums, with funding allocated at a locality level from year two of the partnership.
- 4.9. Year one (2024/2025) the funding will be allocated by Active Partners Trust directly to district and borough councils to allow further time to transition to the new approach.
- 4.10. From year two (2025/2026) the funding will be allocated by Active Partners Trust to locality consortiums to allow for a targeted approach to investment that is based on the need in each locality. Alongside existing services and initiatives delivered by current partners, it is anticipated the new approach will enable greater innovation, new models of delivery and new delivery partners to participate and join the locality consortiums.
- 4.11. To facilitate the move to local consortiums, Active Partners Trust are providing current providers the opportunity to participate on the Transformational Leadership Programme aimed at upskilling staff to lead on change across organisational and sector boundaries.
- 4.12. Active Partners Trust, as the strategic lead organisation in the partnership, are developing the relevant processes and legal documentation to set up the collaborative partnerships and relevant locality consortiums. These will be in place initially with district and boroughs councils and Peak Running, the provider to deliver the Jog Derbyshire scheme. The collaborative partnership will also allow for other partners to join the partnership as the work develops and evolves on a locality footprint.
- 4.13. The collaborative partnership will come into effective on 01 April 2024 and will be in place for a period of 5 years until 31st March 2029.

- 4.14. Ongoing engagement with representatives from current partners (including district and boroughs) has taken place to conduct this transformation work and to help develop this new approach to commissioning physical activity services.
- 4.15. Active Partners Trust have produced a mechanism for locality consortiums to outline their delivery plans which will release the funding allocation to each locality. Formal agreements will be in place between Active Partners Trust and locality consortiums by 30 March 2024.
- 4.16. An annual monitoring framework will be in place to ensure that delivery is met against the outcomes, which will be managed by Public Health Commissioners.
- 4.17. Collaborative meetings, which includes Active Partners Trust, commissioners and all existing partners will take place quarterly.
- 4.18. This new approach to commissioning physical activity services will mature over several years with the involvement of all existing physical activity partners. The collaborative partnership approach will support aims and objectives that will support the outcomes for people living with long term conditions and those with the greatest inequalities.
- 4.19. **Development of a revised funding formula:** As part of the development of the Physical Activity Partnership it was agreed to review and update the current funding formula and allocation of funding to a locality level. The review would enable public health targeting of inactive populations and those that are more deprived as these groups are known to have worse health outcomes and be less active.
- 4.20. The opportunity to review the funding formula enabled Public Health commissioners and Active Partners Trust to consider how the public health impact could be strengthened by targeting areas with inactivity, deprivation and population size.
- 4.21. The current allocation of funding is based on a formula that is over 15 years old and has not been reviewed in this time. The current funding is based on a formula that is the size of population and under 75 mortality rate in each local authority area. It is not clear as to whether this formula had any weighting attached to it.
- 4.22. To review the funding formula and develop a formula that is fit for purpose, a subgroup was established. District and borough councils were asked to nominate two representatives to represent all district and borough councils' views. North East Derbyshire District Council and

High Peak Borough Council representatives were nominated on behalf of all councils. The subgroup also consisted of representatives from Derbyshire Public Health and Active Partners Trust.

- 4.23. The group developed a set of potential funding formulas for wider engagement and discussion. The chosen funding formula was presented at a collaborative meeting led by Active Partners Trust on 26 July 2023.
- 4.24. The subgroup's preferred option was based on:
- Over 16 population size (25%)
 - Active lives survey data - proportion of inactive people living with a limiting illness (50%)
 - Indices of multiple deprivation (25%)
- 4.25. The subgroup selected this revised funding formula as it felt that it best considers the needs of Derbyshire residents, population levels and people living with long term conditions who are inactive.
- 4.26. The new financial allocations are outlined in Table 1 in Appendix 2. It was noted that to implement this option that some localities will receive a reduction in funding. It has been agreed to phase in this funding reduction, to allow for providers with reductions to adapt their services by having a maximum reduction of 10% per year until April 2026 and no reductions will take place until October 2024, this is outlined in Table 2 in Appendix 2.
- 4.27. The total funding amount across the county has not been reduced and has slightly increased on a temporary basis to allow for the transition period, by reallocating funding from within the Physical Activity budget.
- 4.28. Jog Derbyshire and Active Partners Trust funding will remain at current levels, recognising the role of the strategic lead and recognising the benefit to the population of securing the delivery of jog groups at a county level.
- 4.29. The new funding formula option was discussed with the Cabinet Member for Health and Communities on 04 September 2023 and has been shared with district and borough councils.
- 4.30. **Transfer of funds to Active Partners Trust:** Active Partners Trust will hold the funds for the new collaborative consortiums. They will distribute the funding based on the locality consortiums proposed delivery plans. Active Partners Trust will have in place the appropriate agreements and

mechanism to facilitate this and will report into the Physical Activity Partnership how the funding is being spent.

5. Consultation

- 5.1. Engagement with Active Partners Trust and current providers has taken place. A detailed service specification has been written and agreed by both DCC and Active Partners Trust.
- 5.2. Active Partners Trust have facilitated a number of meetings involving all existing partners to consult on the development of the collaborative partnership.

6. Alternative Options Considered

- 6.1 Do nothing and allow the current grant agreements to expire. This is not a preferred option as all current provision would cease leaving a gap in services.
- 6.2 Not recognise the funding transfer to Active Partners Trust. This is not a preferred option as the new Physical Activity Partnership and collaborative approach with partners is dependent on funding to allow for the development of physical activity services.

7. Implications

- 7.1. Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1. Cabinet paper - [Development of a partnership approach to the commissioning of physical activity provision in Derbyshire - 8 September 2021](#)

9. Appendices

- 9.1. Appendix 1 sets out the implications considered in the preparation of this report.
- 9.2. Appendix 2 sets out the breakdown on the new funding formula that will be allocated.

10. Recommendation(s)

That Cabinet:

- a) Notes the progress that has been made to develop the Physical Activity Partnership Agreement for physical activity services which include exercise by referral, led walks programme, looked after children and Jog Derbyshire, as per delegated decision to the Director of Public Health on 08 September 2021.
- b) Approves the transfer of £3.201m to Active Partners Trust from 01 April 2024, for five years until 31 March 2029, to manage and implement the approach outlined in the partnership agreement to ensure improvement in physical activity outcomes for people living with long term conditions and those with those with the greatest inequalities.
- c) Notes that the funding for the partnership agreement will come from the ringfenced Public Health Grant and supports Public Health's responsibilities to improve the health of the population.

11. Reasons for Recommendation(s)

- 11.1 To enable the Physical Activity Partnership Agreement to commence and the transformational work that Active Partners Trust is facilitating to begin.

12. Is it necessary to waive the call in period?

- 12.1 No

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Implications**Financial**

- 1.1 Funding for the Physical Activity Partnership with Active Partners Trust and the collaborative approach with partners will come from the ringfenced Public Health Grant.
- 1.2 The total amount of funding that will be transferred to Active Partners Trust over a period of 5 years to manage and implement the collaborative approach is £3.201m
- 1.3 The total amount is broken down into the following allocations and will be paid in quarterly instalments annually for the duration of the partnership.

Funding breakdown	01 Apr 24 – 31st Mar 25	01 Apr 25 – 31 Mar 26	01 Apr 26 – 31 Mar 27	01 Apr 27 – 31 Mar 28	01 Apr 28 – 31 Mar 29
	£	£	£	£	£
Active Partners Trust Strategic Leadership and Management of the Collaborative	0.144m	0.144m	0.144m	0.144m	0.144m
Localities consortiums	0.429m	0.436m	0.422m	0.422m	0.422m
Peak Running	0.070m	0.070m	0.070m	0.070m	0.070m
Total allocation per year	0.643m	0.650m	0.636m	0.636m	0.636m
Total over 5 years	3.201m				

- 1.4 A further breakdown of the new funding arrangements for each of the locality consortiums is detailed in Appendix 2.
- 1.5 The Physical Activity Partnership Agreement will be in line with the Council's Financial Regulations which allows partnership working to achieve the aims and objectives of the Council by the most effective means, including to improve service delivery by maximising and sharing resources, the desire to find new ways to share risk, the ability to access new resources and to forge new relationships.
- 1.6 There are prescribed financial accounting arrangements for Partnerships between local authorities and other bodies. The Corporate Finance Team will review the Partnership Agreement to determine the

correct accounting treatment and reporting in the Authority's Financial Statements

Legal

- 2.1 The Director of Legal and Democratic Services has advised on the content of the partnership agreement and the partnership's constitution in accordance with the Council's Financial Regulations.
- 2.2 The Council's Financial Regulations set out certain controls and steps based on the production of a risk assessment. The Director of Legal services is providing support and advice to ensure the partnership agreement is in-line with this policy. Any risk will be managed by Public Health and reduced through ensuring the partnership agreement reduces risk to DCC.

Human Resources

- 3.1 Derbyshire County Council accepts no employment or future redundancy liability, with all employment and related matters to be managed by the provider of the commissioned services.

Information Technology

- 4.1 There are no known information technology related implications

Equalities Impact

- 5.1 There are no known equalities impact related implications

Corporate objectives and priorities for change

- 6.1 The physical activity partnership agreement and collaborative approach will contribute to a number of corporate objectives and priorities for change including:
 - Resilient, healthy and safe communities
 - Working with partners to enable people to lead healthier lives by supporting people to take part in physical activity

