



opinion
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Money for mental health care in 2003/4

On Christmas Eve 2002, the Department of Health published the financial allocations to Primary Care Trusts (PCTs) for 2003/4. As usual, this was accompanied by a detailed 'exposition book', setting out how the distribution of the available £45.3 bn was decided (Department of Health Finance and Investment Directorate, 2002). Three years ago, I wrote a short article showing how a close reading of this publication could be used to identify notional mental health budgets in these allocations (Glover, 1999). Bindman *et al* (2000) demonstrated that many health authorities, particularly those that service more deprived areas, spend substantially less on mental health care. As this is the first time financial allocations have been made directly to PCTs, it is helpful to repeat that calculation for the new organisations.

The total resources available for the NHS are determined politically. Each PCT is allocated a share of this with which to meet the health care needs of its population. For the most part, the Department of Health does not identify sub-divisions in these allocations, and PCTs' discretion in using the money is largely unfettered. However, the formulae used to determine the share allocated effectively consider five distinct areas (including mental health) in which PCTs will need to spend. These are considered separately in the formula because their distributions around the country differ. If all PCTs were to use their resources in line with the formulae, their spending patterns would look very different; East Devon would spend 8.04% of its budget on mental health, while East Surrey would spend 20.13%. The figures for each PCT are shown in Table 1. East Surrey tops the league as a result of re-allocation of resources for the old long-stay patients of the Epsom cluster of mental hospitals.

How is this calculated?

A full explanation of this calculation and the assumptions underlying it is beyond the scope of this short article (Glover, 2003). However, the principles are as follows. The resource allocation process starts by identifying the 'weighted population' that is the responsibility of each PCT. For hospital and community health services (HCHS), the population is assigned four weightings. These are for:

- 1) Age profile (older people require more spending than young adults)
- 2) Health need (areas where the population is likely to be sicker need more)
- 3) Market forces factors (in some areas anything is costlier)
- 4) Emergency ambulance costs (allowing for geographic influences)

The health needs relating to mental health care (not including learning disabilities) and other types of care are calculated separately, allowing parallel analyses. For

prescribing costs, effects of age and sex profiles, proportions exempt from prescription charges and some specific types of morbidity are calculated. For cash-limited general medical services costs (GMSCL), age, Jarman scores, rates of limiting long-standing illness and market forces factors are considered and for HIV/AIDS, infection rates are used. To arrive at an appropriate single figure combining these elements, the department looks to the most recent available national spending profile for a weighting of the proportion of allocations that should follow each set of needs weights.

Having identified a fair share (or 'target') of the available national resource for each PCT, this is compared with what was available to the PCT area in the previous year and a set of rules is devised for the speed at which it is realistic to move individual allocations towards the target. For 2003/4, every PCT will get an increase of at least 8.33%. None will be left more than 10% under its target, but with the constraint that none will be pushed closer to its target share by more than 2%. (This leaves nine PCTs at 10% or more below target – Easington, –20.23%, Tendring, –15.05%, Knowsley, –14.91%, Barking and Dagenham, –14.70%, Ashfield, –12.82%, North Liverpool, –12.51%, Central Liverpool, –10.61%, Heart of Birmingham, –10.55% and Tower Hamlets, –10.00%.)

Finally, two types of further adjustment are made. Additions are made of new allocations to address specific issues (this year these are hospital weighting lists, new cost of living increases, out of hours improvements for general practice and the cost of taking on prison health care). Redistributions between PCTs are made where individuals are treated outside the PCT responsible for them (the largest of these is for mental illness and patients with learning disability institutionalised prior to 1970).

To calculate the figures shown in Table 1, all these steps were followed from the Department of Health spreadsheets, the only difference being that the allocations for the clinical areas were kept separate. Where additional allocations and distributions relate to one clinical area, these were attributed accordingly. Otherwise, they were applied to the general total. The resulting total figures are the same as those for PCTs 2003/4 Resource Limit (row L in the DH Initial Resource Limit spreadsheets).

What does it mean?

The actual task confronting PCTs in determining how to spend the resources allocated to them is, of course, much more complex than to be calculable on a few spreadsheets. Established patterns of spending cannot be overturned in a short period. Local profiles of buildings and other relatively fixed elements make particular services more or less efficient in ways that cannot be


Table 1. 2003/4 Total resource limits for Primary Care Trusts and amount and percentage attributable to hospital and community health services (HCHS) for mental health

Primary Care Trust	Mental HCHS £1000s	% of total	Total £1000s	Primary Care Trust	Mental HCHS £1000s	% of total	Total £1000s
Cheshire and Merseyside Health Authority (HA)				West Yorkshire HA (<i>continued</i>)			
Bebington and West Wirral	9,798	9.82	99,784	East Leeds	17,983	11.81	152,221
Birkenhead and Wallasey	27,043	12.00	225,399	Eastern Wakefield	20,173	11.58	174,251
Central Cheshire	22,916	11.29	203,024	Huddersfield Central	13,926	11.53	120,786
Central Liverpool	39,782	13.65	291,342	Leeds North East	17,398	12.77	136,255
Cheshire West	13,817	10.12	136,582	Leeds North West	18,925	12.99	145,681
Eastern Cheshire	17,320	10.73	161,425	Leeds West	12,766	12.16	104,968
Ellesmere Port and Neston	7,280	9.47	76,839	North Bradford	10,867	13.00	83,620
Halton	14,399	11.83	121,696	North Kirklees	17,570	11.88	147,930
Knowsley	19,358	11.92	162,420	South Huddersfield	7,023	10.40	67,509
North Liverpool	14,737	12.31	119,751	South Leeds	17,205	12.48	137,895
South Liverpool	13,022	12.80	101,775	Wakefield West	16,412	12.30	133,409
South Sefton	20,401	12.45	163,872	Bedfordshire and Hertfordshire HA			
Southport and Formby	13,223	11.31	116,952	Bedford	14,427	11.93	120,974
St Helens	20,354	11.14	182,712	Bedfordshire Heartlands	19,672	10.87	181,032
Warrington	17,982	11.06	162,534	Dacorum	12,935	11.08	116,762
County Durham and Tees Valley HA				Hertsmere	9,019	11.57	77,939
Darlington	11,122	11.41	97,490	Luton	20,051	12.79	156,783
Derwentside	9,508	11.42	83,267	North Hertfordshire and Stevenage	18,482	11.98	154,332
Durham and Chester-Le-Street	14,317	10.95	130,724	Royston, Buntingford and Bishop's Stortford	6,232	10.58	58,903
Durham Dales	10,268	11.99	85,609	South East Hertfordshire	14,714	11.30	130,159
Easington	9,806	10.02	97,900	St Albans and Harpenden	11,713	11.07	105,836
Hartlepool	11,165	11.91	93,717	Watford and Three Rivers	18,268	11.87	153,917
Langbaugh	10,399	10.85	95,826	Welwyn Hatfield	9,715	11.43	84,991
Middlesbrough	21,409	11.92	179,612	Birmingham and The Black Country HA			
North Tees	17,961	11.46	156,705	Dudley Beacon and Castle	11,536	12.25	94,186
Sedgefield	10,007	11.05	90,565	Dudley South	18,428	11.07	166,522
Cumbria and Lancashire HA				Eastern Birmingham	31,116	13.08	237,866
Blackburn With Darwen	18,909	13.19	143,337	Heart of Birmingham	42,326	15.48	273,354
Blackpool	19,595	12.70	154,308	North Birmingham	16,387	11.43	143,426
Burnley, Pendle and Rossendale	28,715	11.97	239,877	Oldbury and Smethwick	14,067	13.77	102,171
Carlisle and District	11,432	11.12	102,761	Rolwie, Regis and Tipton	10,528	13.26	79,391
Chorley and South Ribble	19,658	11.37	172,858	Solihull	18,238	10.84	168,307
Eden Valley	5,833	9.94	58,697	South Birmingham	47,196	14.15	333,648
Fylde	6,527	10.24	63,715	Walsall	30,982	13.01	238,186
Hyndburn and Ribble Valley	11,955	11.58	103,228	Wednesbury and West Bromwich	14,877	13.25	112,243
Morecambe Bay	32,589	11.17	291,800	Wolverhampton City	29,356	12.86	228,234
Preston	18,700	13.01	143,699	Coventry, Warwickshire, Herefordshire and Worcester			
West Cumbria	13,579	11.00	123,486	Coventry	35,594	12.34	288,328
West Lancashire	11,528	11.81	97,616	Herefordshire	13,535	9.66	140,098
Wyre	12,530	11.10	112,919	North Warwickshire	15,898	10.89	145,995
Greater Manchester HA				Redditch and Bromsgrove	13,334	10.96	121,706
Ashton, Leigh and Wigan	34,763	11.85	293,331	Rugby	7,874	10.76	73,156
Bolton	31,202	12.43	251,073	South Warwickshire	20,770	10.83	191,845
Bury	19,056	11.74	162,270	South Worcestershire	23,279	10.72	217,159
Central Manchester	28,979	15.58	185,987	Wyre Forest	9,558	11.01	86,799
Heywood and Middleton	9,002	12.28	73,321	Essex HA			
North Manchester	25,113	13.61	184,492	Basilidon	11,015	11.91	92,455
Oldham	26,801	12.72	210,699	Billericay, Brentwood and Wickford	13,493	11.84	113,929
Rochdale	16,370	12.66	129,293	Castle Point and Rochford	12,329	9.51	129,591
Salford	32,823	13.11	250,397	Chelmsford	10,998	11.29	97,432
South Manchester	19,074	13.48	141,478	Colchester	14,877	11.55	128,776
Stockport	30,178	11.91	253,371	Epping Forest	10,798	11.58	93,209
Tameside and Glossop	27,587	12.62	218,588	Harlow	9,635	12.31	78,245
Trafford North	11,246	12.64	88,995	Maldon and South Chelmsford	6,485	10.87	59,643
Trafford South	12,163	11.09	109,671	Southend-on-Sea	16,713	10.93	152,867
North and East Yorkshire and Northern Lincolnshire HA				Tendring	14,790	11.40	129,742
Craven, Harrogate and Rural District	17,016	10.25	166,090	Thurrock	14,763	12.38	119,272
East Yorkshire	12,143	10.08	120,493	Uttersford	5,918	11.08	53,420
Eastern Hull	15,172	13.00	116,700	Witham, Braintree and Halstead Care Trust	11,821	11.61	101,820
Hambleton and Richmondshire	8,690	9.52	91,264	Leicestershire, Northamptonshire and Rutland HA			
North East Lincolnshire	16,423	11.39	144,167	Charnwood and North West Leicestershire	20,578	11.15	184,554
North Lincolnshire	14,310	10.70	133,772	Daventry and South Northamptonshire	6,882	9.77	70,436
Scarborough, Whitby and Ryedale	14,004	10.18	137,599	Eastern Leicester	21,918	15.23	143,941
Selby and York	23,557	10.84	217,398	Hinckley and Bosworth	7,731	10.68	72,385
West Hull	18,806	12.57	149,648	Leicester City West	16,774	13.33	125,884
Yorkshire Wolds and Coast	13,229	10.42	126,904	Melton, Rutland and Harborough	10,907	10.49	103,982
Northumberland, Tyne and Wear HA				Northampton	19,210	11.22	171,247
Gateshead	26,339	12.84	205,181	Northamptonshire Heartlands	24,032	10.88	220,957
Newcastle	37,143	13.23	280,787	South Leicestershire	11,671	10.31	113,246
North Tyneside	23,823	12.22	194,922	Norfolk, Suffolk and Cambridgeshire HA			
Northumberland Care Trust	32,691	11.61	281,575	Broadland	9,366	10.12	92,543
South Tyneside	20,853	13.06	159,688	Cambridge City	11,905	11.42	104,205
Sunderland Teaching	35,707	12.27	290,974	Central Suffolk	6,468	8.92	72,548
South Yorkshire HA				East Cambridgeshire and Fenland	11,861	10.17	116,645
Barnsley	23,800	10.54	225,877	Great Yarmouth	9,884	11.66	84,777
Doncaster Central	12,071	12.31	98,025	Huntingdonshire	11,418	10.50	108,779
Doncaster East	9,819	11.46	85,707	Ipswich	14,119	11.24	125,580
Doncaster West	12,157	11.90	102,185	North Norfolk	9,438	10.54	89,552
North Sheffield	16,077	12.58	127,814	North Peterborough	10,546	11.18	94,329
Rotherham	23,987	10.54	227,557	Norwich	14,549	12.03	120,956
Sheffield South West	12,337	11.15	110,614	South Cambridgeshire	7,840	9.99	78,487
Sheffield West	13,630	12.55	108,612	South Peterborough	7,076	10.03	70,526
South East Sheffield	20,504	12.24	167,555	Southern Norfolk	16,245	10.32	157,485
West Yorkshire HA				Suffolk Coastal	7,350	9.18	80,053
Airedale	12,039	11.63	103,484	Suffolk West	17,863	10.05	177,430
Bradford City	20,135	15.27	131,851	Waveney	10,546	9.44	111,682
Bradford South and West	16,689	12.64	132,051	West Norfolk	12,381	10.03	123,447
Calderdale	20,671	11.43	180,860				

(continued)



Table 1. (continued)

Primary Care Trust	Mental HCHS £1000s	% of total	Total £1000s	Primary Care Trust	Mental HCHS £1000s	% of total	Total £1000s
Shropshire and Staffordshire HA				Avon, Gloucestershire and Wiltshire HA (continued)			
Burntwood, Lichfield and Tamworth	12,521	10.91	114,739	West Wiltshire	8,849	9.77	90,549
Cannock Chase	10,874	10.88	99,977	Dorset and Somerset HA			
East Staffordshire	10,146	10.57	95,947	Bournemouth	16,084	10.79	149,097
Newcastle-under-Lyme	10,472	11.40	91,841	Mendip	8,569	10.30	83,181
North Stoke	16,039	12.45	128,853	North Dorset	6,625	8.88	74,628
Shropshire County	24,801	10.78	230,088	Poole	14,288	9.81	145,712
South Stoke	15,027	11.81	127,248	Somerset Coast	11,916	10.25	116,205
South Western Staffordshire	14,269	10.09	141,467	South and East Dorset	11,625	8.82	131,863
Staffordshire Moorlands	10,133	11.02	91,971	South Somerset	12,514	10.04	124,612
Telford and Wrekin	14,251	11.53	123,588	South West Dorset	11,267	9.22	122,135
Trent HA				Taunton Deane	8,876	10.31	86,071
Amber Valley	10,049	9.60	104,717	Hampshire and Isle of Wight HA			
Ashfield	6,858	10.22	67,129	Blackwater Valley and Hart	11,880	9.21	128,976
Bassetlaw	8,855	10.12	87,521	East Hampshire	16,612	10.27	161,786
Broxtowe and Hucknall	11,411	10.06	113,472	Eastleigh and Test Valley	10,716	9.69	110,575
Central Derby	16,458	15.18	108,422	Fareham and Gosport	17,842	11.64	153,330
Chesterfield	9,897	10.09	98,068	Isle of Wight	14,204	10.72	132,508
Derbyshire Dales and South Derbyshire	6,137	9.29	66,034	Mid-Hampshire	13,045	9.65	135,193
East Lincolnshire	25,115	10.47	239,940	New Forest	14,629	9.56	153,050
Erewash	8,424	9.86	85,437	North Hampshire	14,862	10.07	147,617
Gedling	7,367	9.29	79,311	Portsmouth City	19,169	11.59	165,393
Greater Derby	11,917	9.82	121,325	Southampton City	24,032	11.62	206,816
High Peak and Dales	8,601	9.84	87,399	Kent and Medway HA			
Lincolnshire South West Teaching	14,531	10.15	143,190	Ashford	8,628	10.13	85,140
Mansfield District	8,321	9.92	83,844	Canterbury and Coastal	15,645	10.46	149,606
Newark and Sherwood	9,657	9.76	98,943	Dartford, Gravesham and Swanley	22,451	11.37	197,490
North Eastern Derbyshire	12,869	9.50	135,465	East Kent Coastal	26,109	11.10	235,284
Nottingham City	33,434	12.21	273,890	Maidstone Weald	21,047	11.32	185,973
Rushcliffe	8,273	8.95	92,448	Medway	25,685	12.16	211,147
West Lincolnshire	19,806	11.03	179,584	Shepway	10,616	11.17	95,035
North Central London HA				South West Kent	16,882	11.67	144,624
Barnet	43,196	13.95	309,617	Swale	9,616	12.07	79,657
Camden	36,816	13.60	270,641	South West Peninsula HA			
Enfield	29,602	12.15	243,574	Central Cornwall	17,562	10.22	171,802
Haringey	34,676	14.05	246,747	East Devon	8,414	8.04	104,592
Islington	34,051	13.67	249,059	Exeter	17,807	15.37	115,825
North East London HA				Mid Devon	6,971	8.58	81,203
Barking and Dagenham	18,003	11.84	152,039	North and East Cornwall	14,047	10.27	136,777
Chingford, Wanstead and Woodford	13,326	12.06	110,492	North Devon	12,495	9.61	130,069
City and Hackney	38,202	14.28	267,490	Plymouth	25,746	11.16	230,757
Havering	21,308	9.96	213,922	South Hams and West Devon	8,506	9.46	89,935
Newham	39,623	14.22	278,603	Teignbridge	9,830	10.37	94,835
Redbridge	20,025	12.45	160,850	Torbay	13,876	10.78	128,764
Tower Hamlets	35,755	14.89	240,062	West of Cornwall	15,522	10.79	143,918
Walthamstow, Leyton and Leytonstone	23,534	14.23	165,368	Surrey and Sussex HA			
North West London HA				Adur, Arun and Worthing	22,814	10.58	215,657
Brent	44,137	14.97	294,906	Bexhill and Rother	7,410	8.95	82,804
Ealing	43,242	13.22	327,124	Brighton and Hove City	30,735	12.38	248,356
Hammersmith and Fulham	26,294	13.45	195,459	Crawley	10,360	11.35	91,274
Harrow	24,228	13.43	180,391	East Elmbridge and Mid Surrey	42,361	17.47	242,428
Hillingdon	26,297	11.87	221,587	East Surrey	29,658	20.13	147,297
Hounslow	30,069	13.61	220,869	Eastbourne Downs	18,254	10.22	178,619
Kensington and Chelsea	27,803	13.56	205,096	Guildford and Waverley	19,630	9.92	197,969
Westminster	35,828	13.48	265,760	Hastings and St Leonards	10,114	10.94	92,444
South East London HA				Horsham and Chanctonbury	8,124	11.40	71,244
Bexley	19,563	10.67	183,314	Mid-Sussex	10,017	9.49	105,512
Bromley	36,930	13.45	274,614	North Surrey	21,874	12.28	178,063
Greenwich	30,770	12.84	239,638	Sussex Downs and Weald	10,371	8.64	120,074
Lambeth	46,296	14.04	329,857	Western Sussex	18,716	9.87	189,596
Lewisham	38,522	13.41	287,339	Woking	18,680	11.85	157,653
Southwark	38,761	13.61	284,695	Thames Valley HA			
South West London HA				Bracknell Forest	9,372	12.06	77,694
Croydon	40,743	13.51	301,630	Cherwell Vale	9,668	10.54	91,708
Kingston	18,165	12.44	145,966	Chiltern and South Bucks	11,556	9.77	118,329
Richmond and Twickenham	22,541	13.63	165,346	Milton Keynes	18,935	11.23	168,688
Sutton and Merton	46,880	13.99	335,186	Newbury and Community	8,842	11.77	75,113
Wandsworth	46,468	16.15	287,642	North East Oxfordshire	5,550	10.90	50,910
Avon, Gloucestershire and Wiltshire HA				Oxford City	16,360	11.29	144,874
Bath and North East Somerset	14,795	10.42	142,015	Reading	20,644	12.58	164,108
Bristol North	21,906	10.75	203,735	Slough	15,395	15.16	101,527
Bristol South and West	30,113	16.38	183,885	South East Oxfordshire	7,117	12.02	59,198
Cheltenham and Tewkesbury	13,362	10.78	123,964	South West Oxfordshire	14,625	10.39	140,745
Cotswold and Vale	15,925	10.02	158,933	Vale of Aylesbury	15,651	10.80	144,940
Kennet and North Wilts	15,579	10.32	150,965	Windsor, Ascot and Maidenhead	15,488	11.79	131,388
North Somerset	17,352	11.28	153,822	Wokingham	10,715	10.57	101,338
South Gloucestershire	27,551	14.88	185,115	Wycombe	11,904	11.04	107,783
South Wiltshire	9,768	9.76	100,106	England total	5,367,596	11.85	45,312,830
Swindon	17,252	11.22	153,760				
West Gloucestershire	20,186	10.75	187,752				

quickly altered. Rising or falling population numbers give rise to over- or under-use of facilities, with inevitable consequences for unit costs. Finally, national allocation rules can only really allow for influences that have a broadly national effect. Because of this, local decisions

need to be made to take into account additional or differing influences.

The department's resource allocation team goes to considerable lengths to calculate the fairest possible share-out of resources, but it is national policy that the

use of local resources is at the discretion of PCTs. Thus, it would be difficult for the department to publish the type of analysis presented here, which could be seen as fettering local discretion. However, given the thoroughness of the work they undertake, it seems appropriate to present this perspective as at least one element that PCTs should be thinking about in reaching the important decisions they have to take.

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