

Leeds Health & Wellbeing Board

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Report of: Head of Commissioning, Adult Social Care and Chief Finance Officer, South and East Clinical Commissioning Group

Report to: Leeds Health and Wellbeing Board

Date: 2nd October 2013

Subject: Update on Funding Transfer from NHS England to Adult Social Care 2013/14 and Statement on the Health and Social Care Integration Transformation Fund

Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. On 5th July 2013 NHS England wrote to Local Authorities and Clinical Commissioning Groups outlining the process for the 'funding transfer to support adult social care – 2013/14'. This included confirmation of actual transfer amounts and additions to the governance process. It includes a requirement for the local authority and CCGs to take a joint report to the Health and Well Being Board to agree the use of the funding, outcomes and monitoring arrangements for that area.
2. At its meeting on 24th July 2013 the Health and Well Being Board took a paper from the Deputy Director, Adult Social Care and the Accountable Officers, Leeds Clinical Commissioning Groups, outlining the background to the funding transfer for 2013/14, the proposed areas the funding be used for and process to be followed to get agreement on the transfer between the Local Authority, Leeds Clinical Commissioning Groups and NHS England.
3. Agreement has now been reached between the clinical commissioning groups and Adult Social Care on the process for the transfer of the funding and for its use. Funding will be transferred during October 2013.

Recommendations

The Health and Wellbeing Board is asked to:

- Note progress in the transfer of funding from NHS England to the Local Authority for 2013/14
- Note the issues raised within the 'Statement on the health and social care Integration Transformation Fund' and to establish a working group across partners to develop the Leeds Plan for this funding.
- To consider when further reports on this funding and its use should be brought to the Board

1 Purpose of this report

- 1.1 To update the Health and Wellbeing Board on the progress made in the funding transfer from NHS England to Leeds City Council, Adult Social Care.
- 1.2 To outline the proposals for future funding transfers.

2 Background information

- 2.1 At its meeting on 24th July 2013 the Health and Well Being Board took a paper from the Deputy Director, Adult Social Care and the Accountable Officers, Leeds Clinical Commissioning Groups, outlining the background to the funding transfer for 2013/14, the proposed areas the funding be used for and process to be followed to get agreement on the transfer between the Local Authority, Leeds Clinical Commissioning Groups and NHS England.
- 2.2 The report sought approval for the Health and Wellbeing Board to delegate authority in regard to approving the funding transfer from NHS England to Leeds City Council, Adult Social Care (ASC), in order to facilitate timely transfer of the funding. It was resolved that delegated authority be given to the Chair of the Board and Executive Member for Adult Social Care, to approve the proposal for funding transfer once agreement has been reached between the three CCGs and Adult Social Care and the appropriate documents have been completed.

3 Main issues

3.1 Progress

- 3.1.1 Agreement has now been reached between the Clinical Commissioning Groups and Adult Social Care on the use of the funding and this has been articulated within a 'Section 256 Agreement' between Leeds City Council and NHS England. As outlined in the previous report to the Health and Well Being Board the funding is to be used for:

£11,849,652 for ASC to invest in social care services to benefit health and to improve overall health gain and to ensure sustainability, consolidation and a whole system approach to deliver the Better Lives in Leeds programme, This focuses on Housing Care and Support, Integration with Health and Enterprise and includes supporting and developing transformation within; Homecare, Dementia care, Personalisation and investment in the Third Sector to support early intervention and prevention and expanded social capital

- 3.1.2 Specifically agreement has been reached between ASC, the three Clinical Commissioning Groups and NHS England that the funding is allocated as follows:

This funding builds on previous years and allows for maintained funding as outlined below:

<i>Homecare:</i>	<i>£7,500k</i>
<i>Residential Care</i>	<i>£1,250k</i>

Specialist Dementia Care:

- *Care homes* £800k
- *Resource centres* £300k
- *Community support* £500k

Grants to third sector organisations to deliver health and well-being services that maintain independence and avoid ill health £1,500k

Total 2013/14 **£11,849,652**

3.1.3 In addition to the information, above contained within the Section 256 Agreement, NHS England specifically asked of us the following question:

How will the section 256 or 257 transfer secure more health gain than an equivalent expenditure of money on the National Health Service?

3.1.4 The agreed response to NHS England is:

'It has been identified that this investment in Social Care services allows patient flows to be maintained that will provide alternatives to acute admissions, reduce delayed transfers of care and provide the re-ablement needed to reduce the likelihood of re-admission. Without this investment in Social care services the benefits of any equivalent investment in Health services would not be realised, as community services would not have the capacity to take the volume of referrals that a good system of admission avoidance and smooth transfer of care depends on. The Leeds Integrated Health & Social Care Programme aims to maximise the impact of this investment in Social Care by ensuring that these social care services form part of an integrated community response with community health services'.

3.1.5 The above, the section 256 agreement, and the report to the July Health and Well Being Board, have now being shared with NHS England and they have agreed for the funding to be transferred to Leeds City Council in October 2013.

3.2 Future Funding Transfer

3.2.1 Since the report to the July Health and Well Being Board the Local Government Association and NHS England have issued a 'Statement on the health and social care Integration Transformation Fund' (attached).

3.2.2 Whilst the Integration Transformation Fund (ITF) does not come into full effect until 2015/16 the document notes that 'it is essential that CCGs and local authorities build momentum in 2014/15, using the additional £200m due to be transferred to local government from the NHS to support transformation'.

3.2.3 In effect there will need to be a two-year plan for 2014/15 and 2015/16, which must be in place by March 2014.

3.2.4 The document notes that The ITF will support the aim of providing people with the right care, in the right place, at the right time, including through a significant

expansion of care in community settings. This will build on the work CCGs and local authorities are already doing, for example, as articulated in the integrated care pioneers initiative and work on Community Budgets

3.2.5 Crucially the ITF will compose existing funding continued from 2014/15 – Money already allocated across the NHS and social care to support integration:

- Carers, Breaks funding
- Reablement funding
- Capital Grant Fund (Inc. Disabled Facilities Grant)
- Existing transfer from health to social care

Plus additional funding to cover demographic pressures in adult social care and some of the cost associated with the Care Bill

It is worth noting that a significant element will be performance related.

3.2.6 To access the funding each locality will need to develop a local plan by March 2014. The plan will set out arrangements for future transfer of funding from NHS to the Local Authority

3.2.7 The funding will be used to create a pooled budget to be used locally on social care and health subject to national conditions outlined in paragraph 13 of the Statement. Unsurprisingly the statement has a strong emphasis on 'Delivery through Partnership'. Leeds, especially as a potential 'Pioneer on Integration' is in a very good position to meet this challenging agenda, however it will need significant work to ensure the local plan is robust enough to both meet the challenges and priorities in Leeds, especially within significantly reduced local authority budgets, and to meet the conditions set out by the ITF, particularly bearing in mind the size of the funding within the pool and that much of this is already accounted for in current budget projections.

3.2.8 In addition the Board will need to recognise:

- The practical challenge of developing a plan for the transfer of funding in the absence of almost any guidance,
- The recently announced consultation on revised funding formulae for CCG's
- The absence of any firm figures for the 'Dilnot thresholds' contained in the Care Bill,

All of which will have significant negative impact on future years transfers and the amount of actual new funding in the pool.

3.2.9 Therefore work will need to commence now on developing the local plan and working with NHS England, the Local Government Association, ADASS, and the DH on the funding allocation, conditions, risk, assurance and analytics.

4 Health and Wellbeing Board Governance

4.1 Consultation and Engagement

4.1.1 The partners to the previous Section 256 Agreement, initially Adult Social Care and the PCT, now the three CCG's, have always used existing consultations and agreed priorities to inform the areas identified for expenditure. These have developed each year. This year, the funding for ASC is based on the priorities within the Better Lives Programme, which has had extensive consultation around the three themes of Integration, Enterprise, and Housing Care and Support.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 There are no specific implications for equality groups beyond those already identified as priority areas within Better Lives, for example people with Dementia.

4.2.2 The funding will be used within existing investment, commissioning and transformation programmes. Each of these will have carried out an Equality Screening Impact or Assessment as appropriate.

4.3 Resources and value for money

4.3.1 There is significant funding coming into the Leeds Health and Social Care System from NHS England. The areas outlined for expenditure are agreed priorities for investment in the city.

4.3.2 It is worth noting that delays on approval of the transfer within Leeds will delay the transfer into the city from NHS England.

4.4 Legal Implications, Access to Information and Call In

4.4.1 There are no legal implications beyond those articulated within the Section 256 Agreement. These have already being covered within previous agreements and will be the same within this document, albeit with a new partner, namely NHS England

4.5 Risk Management

4.5.1 Representatives from Leeds are meeting with the Area Team to ensure close engagement and to ensure we resolve any potential difficulties at an early stage. Within Leeds we can build on the strong partnerships in place and on our positive experience of reaching agreements on this transfer in previous years.

5. Conclusions

5.1 Agreement has now been reached between the clinical commissioning groups and Adult Social Care on the process for the transfer of the funding and for its use. Funding will be transferred during October 2013.

5.2 Work now needs to commence on developing a local two-year plan to be in place by March 2014 in order to access future funding.

6. Recommendations

The Health and Wellbeing Board is asked to:

- Note progress in the transfer of funding from NHS England to the Local Authority for 2013/14
- Note the issues raised within the 'Statement on the health and social care Integration Transformation Fund' and to establish a working group across partners to develop the Leeds Plan for this funding.
- To consider when further reports on this funding and its use should be brought to the Board

* The Statement on the health and social care Integration Transformation Fund can be found at: <http://www.england.nhs.uk/wp-content/uploads/2013/08/itf-aug13.pdf>