



Report of: Deputy Director Integrated Commissioning

Report to: Director of Adults and Health

Date: 16th January 2019

Subject: Request to enter into a Section 256 agreement for the transfer and distribution of £300,000 per annum for five years from NHS Leeds Clinical Commissioning Group to Leeds City Council's Adults and Health Directorate to supplement the Neighbourhood Network Grants

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

Summary of Main Issues

1. On the 8th August 2018 the Director of Adults and Health approved the award of grants to support Neighbourhood Network services across 37 geographical areas. The total value of this investment was circa £3million per annum, circa £15million for the initial five year period of the grant agreements awarded.
2. Discussions were held between commissioning officers on behalf of both NHS Leeds Clinical Commissioning Group (CCG) and Leeds City Council's Adults and Health Directorate during the planning phase for the Neighbourhood Network Schemes (NNS) grants. This has resulted in a new recurrent commitment from the CCG of £300,000 per annum for the initial five year period of the grant, giving a total value of £1,500,000. This is to supplement existing awards.
3. The inclusion of this additional investment will not require any alteration to the project brief issued for the competitive grants process. There will however be adjustments required to the monitoring process to enable commissioning officers to collate and

report on the health and wellbeing related benefits achieved with the support of this further investment.

4. Allocation of the £300,000 per annum is to be distributed across all 37 areas constituting the Neighbourhood Networks. This will see NNS receiving an allocation that takes into account population, deprivation and frailty data. The final allocation for each area will be finalised with representatives from the NHS Leeds CCG prior to any variations to the grant agreements being made and is to be finalised early January 2019.
5. Approval is required to enter into a Section 256 agreement for the receipt of this income and the resultant increase in expenditure to the NNS grants.

Recommendations

1. The Director of Adults and Health is recommended to approve the receipt and redistribution of £300,000 per annum to the Neighbourhood Network Scheme grants from NHS Leeds CCG via a Section 256 agreement.
2. That the Director of Adults and Health notes that commissioning officers on behalf of Leeds City Council's Adults and Health Directorate will liaise with colleagues in NHS Leeds CCG and Leeds City Council's Procurement and Commercial Services to oversee the distribution of this funding and all necessary grant funding novations.

1 Purpose of this report

- 1.1 This report seeks approval from the Director of Adults and Health for commissioning officers to proceed with a Section 256 agreement with NHS Leeds CCG for the receipt and transfer of additional funding for the Neighbourhood Network Schemes to the value of £300,000 per annum for a confirmed period of five years. This funding to be distributed across all 37 Neighbourhood Network Schemes with weightings calculated based on population, deprivation and frailty data. Payment and monitoring of this funding is to be managed as part of the recently awarded grant agreements, approved 8th August 2018.

2 Background information

- 2.1 Neighbourhood Network Schemes are a fundamental part of the voluntary sector in Leeds. Since 1985 the services have steadily developed across the city with a focus on improving the lives of older people, with particular regard given to reducing social isolation and improving the health and wellbeing of individuals. The services operate to geographical boundaries that in turn provide full geographical coverage of the Leeds Metropolitan District Area. A key element of the services lies in the fact that older people and other community stakeholders are actively engaged in the planning and running of the services, both as consumers and contributors of social capital.
- 2.2 Between the periods 1st October 2010 and 30th September 2018 the Neighbourhood Network Schemes were funded through contractual arrangements. In December 2016 a review of these arrangements commenced, resulting in the report 'Request to approve the model for continuing Leeds City Council's investment in Neighbourhood Network services from 1st October 2018' being submitted to the

Leeds City Council Executive Board on the 20th September 2017 recommending that future funding arrangements be managed through grant agreements. This was approved and a competitive grants process commenced on the 20th March 2018, with award recommendations approved by the Director of Adults and Health on the 8th August 2018.

- 2.3 To support the review, a cross-party Strategic Advisory Group, Chaired by Councillor Charlwood in her role as Executive Member for Adults, Health and Wellbeing, was formed. A Project Board was also established to oversee the delivery of this work and signoff reports and documentation as appropriate. Representation from the NHS Leeds CCG was present at both the Project Board and the Strategic Advisory Group.
- 2.4 The possibility of there being a funding contribution from the NHS Leeds CCG was first raised during meetings of the Strategic Advisory Group. This was discussed further on the 8th June 2018 between the Acting Head of Proactive Care / Population Commissioning on behalf of the NHS Leeds CCG and the Commissioning Manager (Older People) on behalf of Leeds City Council. The outcome of these discussions being a confirmed contribution of £300,000 per annum for each of the five years of the initial grant agreement.

3 Main issues

- 3.1 The additional investment of £300,000 per annum for each of the five years of the initial grant period will be used to increase the level of investment for all of the 37 areas that make up the Neighbourhood Network Scheme grant areas. As agreed with the NHS Leeds CCG the distribution of funds will see a weighting as yet to be finalised based upon population, deprivation and frailty data to ensure a distribution based on level of need. Officers from Adults and Health Commissioning, Public Health and the NHS Leeds CCG are working together to finalise the distribution with an anticipated completion of early January 2019.
- 3.2 The existing grant funding from Leeds City Council's Adults and Health is a partial contribution towards the costs of each scheme. The Neighbourhood Network Schemes are not commissioned to deliver a particular service but instead receive a funding contribution in recognition of the ambitions the successful bidders have which are in line with those held by Leeds City Council. These are summarised into four key outcomes of reducing social isolation, increasing engagement, improving choice and control and improving health and wellbeing, as well as a general ambition to work towards empowering older people through collaboration and the adoption of a strength-based service approach.
- 3.3 The additional £300,000 per annum from the NHS Leeds CCG will be used to bolster the existing grant funding as opposed to stipulating any specific activities for Neighbourhood Network Schemes to undertake. Quarterly monitoring processes will be utilised to evaluate and report on the efficacy of the investment, with additional monitoring measures for those schemes receiving increased funding in relation to deprivation and frailty demographics. These additional measures are to be finalised but could include mechanisms to evidence how inequalities for older people are being addressed. Commissioning officers will ensure that all Neighbourhood Network Schemes are aware of the source and value of the additional investment when putting together the necessary updates to

grant agreements. This will include how quarterly monitoring will be utilised to evaluate the impact of the investment.

- 3.4 Following approval of the proposals covered in this report, commissioning officers will set about completing a Section 256 agreement to manage the transfer of funds from the NHS Leeds CCG to Leeds City Council's Adults and Health Directorate. The core of this agreement will be the existing project brief for the Neighbourhood Network Scheme grants, alongside details of how monitoring will be utilised for performance updates to the NHS Leeds CCG. Commissioning officers will also engage with colleagues from Projects and Commercial Services to finalise novations to the existing grants and undertake the necessary work in circulating and obtaining signatures.
- 3.5 The £300,000 per annum funding allocation is backdated to 1st October 2018. Initial payments will include a back payment from this date, with all future payments made on a quarterly basis in advance.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 For the main grant process feedback was obtained from a range of stakeholders. This included feedback from service members, volunteers, professionals referring to the services as well as the Neighbourhood Network organisations themselves. This research indicated that the Neighbourhood Networks were highly valued services.
- 4.1.2 A cross party strategic advisory group chaired by the Executive Member for Health, Wellbeing and Adults was established to provide oversight and advice for commissioning officers working on the review. This group included representation from the NHS Leeds Clinical Commissioning Group. During these meetings the possibility of NHS Leeds CCG contribution to the Neighbourhood Network Scheme grants was discussed.
- 4.1.3 The contents of this report were summarised in the notice added to the Forward Plan on the 22nd November 2018. A briefing is to be presented to Councillor Charlwood in her role as the Executive Member for Health, Wellbeing and Adults on the 10th January 2019.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 The project brief for the Neighbourhood Network Schemes grant states that the services enabled by the Neighbourhood Networks grants are to be delivered irrespective of gender, sexuality, disability, ethnicity, cultural and/or religious beliefs. It also states that organisations should be sensitive to the cultural needs of the populations they support to ensure older people of all communities and cultures benefit. This is further supported by the requirement that recipients of the grant carry out all functions and activities with due regard to their obligations under equality legislation.
- 4.2.2 An Equality, Diversity, Cohesion and Integration Screening has been completed and is appended to this report.

Council policy and city priorities

- 4.2.3 The allocation of this additional investment of £300,000 per annum is in line with current commissioning priorities and contributes to the 5 outcomes detailed in the Leeds Health and Wellbeing Strategy 2016-2021. It also helps contribute to the goals outlined in the NHS Leeds CCG Strategic Plan 2018/19 – 2020/21, particularly:
- Increasing the number of people supported to manage their health condition;
 - Reducing unnecessary time patients spend in hospital, and;
 - Reducing preventable hospital admissions.

4.3 Resources and value for money

- 4.3.1 The £300,000 per annum is for a fixed period of five years, in line with the initial period of the current Neighbourhood Network Scheme grants. The funding will be distributed across all 37 Neighbourhood Network areas, with particular weighting calculated based on population, deprivation and frailty data.
- 4.3.2 The funding covered by this report is wholly supplied by the NHS Leeds CCG and does not involve any further contribution from the Adults and Health budget. The NHS Leeds CCG contribution augments the existing grant awards to the Neighbourhood Networks. This provides further investment directly into the communities to help maintain the health and wellbeing of older people within their communities and so help to minimise the need for hospital admission.

4.4 Legal implications, access to information and call-in

- 4.4.1 The decision highlighted in this report will be taken by the Director of Adults and Health in line with the officer delegation scheme as detailed in Part 3 of the Council's Constitution.
- 4.4.2 As the overall value of this decision exceeds £250,000 this decision is a key decision and is subject to call in.

4.5 Risk management

- 4.5.1 The NHS Leeds CCG funding commitment of £300,000 per annum has been ring fenced for the duration of the initial five years of the Neighbourhood Networks grant agreement. A Section 256 agreement (the NHS Act legal mechanism that allows the transfer of funding from NHS bodies to local authorities) has been drafted and will be the legal mechanism that facilitates the transfer of funds and that stipulates the duration of the commitment. The Section 256 will be actioned once call-in for this decision is completed.
- 4.5.2 Officers on behalf of both Leeds City Council's Adults and Health and the NHS Leeds CCG will continue to liaise throughout the allocation of funding phase to ensure minimisation of any potential risks. This will include the support of officers in Procurement and Commercial Services during the drafting, issuing and receipt of each novation to the existing grant agreements.
- 4.5.3 The Leeds Adults and Health grant award for Neighbourhood Network Schemes is for an initial five years with the option to extend for a further five years. As the funding

contribution from NHS Leeds CCG is only for a five year period, it is necessary to ensure that all Schemes have robust exit strategies to manage this funding adjustment when the agreement ends 30th September 2023. This will be detailed within each grant award novation.

5 Conclusions

- 5.1 Approval is required for commissioning officers to utilise a Section 256 agreement to allow the funding agreed with NHS Leeds CCG to transfer to Leeds City Council Adults and Health Directorate for distribution in its entirety to the 37 Neighbourhood Network areas identified in the recently awarded Neighbourhood Network grants.
- 5.2 Distribution of the funding will be in line with the mutually shared commitments, which include addressing social inequality and reducing the impact of frailty.

6 Recommendations

- 6.1 The Director of Adults and Health is recommended to approve the receipt and redistribution of £300,000 per annum to the Neighbourhood Network Scheme grants from NHS Leeds CCG via a Section 256 agreement.
- 6.2 That the Director of Adults and Health notes that commissioning officers on behalf of Leeds City Council's Adults and Health Directorate will liaise with colleagues in NHS Leeds CCG and Leeds City Council's Procurement and Commercial Services to oversee the distribution of this funding and all necessary grant funding novations.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.