

Enhance Programme Fund

Date: 27th April 2022

Report of: Deputy Director of Integrated Commissioning

Report to: Director of Adult Social Services

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

This report seeks approval to establish the fund for the 'Enhance' Programme. The Enhance Programme's main aims are "to support safe and sustainable discharge from hospital and neighbourhood teams into a secure home environment and to link Neighbourhood Teams with third sector organisations to enhance capacity in both sectors and avoid both delayed discharges and readmissions."

The £800,000 funding budget is being provided by Leeds NHS Community Healthcare Trust (LCHT) under a proposed NHS Act S256 agreement and there is no call on LCC funding for the programme. In addition to this, a further £98,000 of DCLG Clinically Vulnerable funding is being added to the fund. The report proposes that the total £898,000 is directly grant-awarded to Leeds Older People's Forum (LOPF) who will administer the fund within the Leeds third sector through a bidding process. The entire fund is intended to be distributed in 2022/23.

The proposal would see LCC be the natural lead of this programme on behalf of the partnership with LCHT. The rationale for LCC assuming this role is that LCC lead on managing the existing contractual relationship with LOPF and Forum Central (Volition) more widely and managing such programmes is part of Adult & Health Commissioning core business.

Recommendations

- a) That LCC enter into an NHS Act Section 256 agreement to formalise the transfer of the £898,000 funding from Leeds Community Healthcare Trust to Leeds City Council
- b) That LCC make a direct grant award of £800,000 to Leeds Older People's Forum who will administrate and distribute the fund and manage the bidding process with Leeds third sector organisations
- c) As part of this LCC will be making a contribution of £98k to the Enhance programme. This is coming from funding received through the Health Partnerships Team from the Department for Levelling Up, Housing and Communities and Local Government to support people who are clinically vulnerable to Covid in March 2021 as discussed at the Winter at Risk Group

chaired by Rachael Loftus, Head of Regional Health Partnerships and programme lead for CEV.

Why is the proposal being put forward?

- 1 The proposal is an opportunity to invest £898,000 funding into the Leeds third sector in order to achieve better outcomes for people who are receiving Leeds statutory health and care services. In 2022/23 the fund will focus on third sector work between the LCHT Neighbourhood Teams and third sector organisations.
- 2 LCHT has identified funding that is intended to be used in the financial year 2022/23. There is the potential, however, for the Enhance Programme to be extended in the future through further funding from the NHS and for the programme to become a longer term vehicle to support our strategic aim of a more integrated locality-focussed statutory care and third sector offer. This has the potential to support, amongst other things, the implementation of the new community wellbeing model for home care. Any future supplementation to or extension of the programme would, however, be subject to a separate decision.

What impact will this proposal have?

Wards Affected: all wards

Have ward members been consulted? Yes No

- 3 The proposal will allow the Enhance Programme to invest in third sector initiatives in Leeds to achieve better outcomes for people who are receiving Leeds statutory health and care services with a focus on supporting people receiving community healthcare services and being discharged from hospital in 2022/23.
- 4 The Enhance Programme Objectives are:
 - To establish ways to work more closely with the multi-disciplinary teams in neighbourhoods.
 - To support individuals to retain their independence and improve their confidence after a period of ill-health thereby improving their well-being.
 - To support people within their homes to develop coping strategies and self-care management alongside improved social connections to prevent unnecessary admission, or readmission, to hospital.
 - To provide person-centred support to people which complements existing services.
- 5 The funding is aimed primarily at older people with complex needs and has a stated aim of 'utilising the third sector expertise in understanding and tackling health inequalities to help improve the health of the poorest the fastest'. The fund has been promoted within the third sector through infrastructure partners and has generated interest from many smaller community-based organisations including a number that work with specific communities including Leeds BAME communities. As part of the application process bidding organisations are asked to demonstrate their understanding of the diversity of needs of the population that they will be working with and bids are scored against this.
- 6 The Enhance Programme builds on wider developments to promote a stronger and more integrated locality/community-based approach to meeting people's health and care needs. As well as allowing the better use of the resources and assets of local communities, this

approach also has the potential to support LCC Climate Emergency ambitions by reducing travel/car usage by staff who provide statutory health and care services

- 7 The £800,000 funding is being provided by LCH and does not require a budgetary contribution from LCC and the additional £98,000 is from Government Covid Clinically Vulnerable funding.

What consultation and engagement has taken place?

- 8 LCHT have identified the potential of engaging the Leeds third sector to support the deliver of better outcomes for people they are working with through their Neighbourhood Teams. They have consulted with the sector through the infrastructure organisation LOPF and identified a process for receiving project proposals from third sector organisations within the city. Each project proposal will be based on the understanding of that community organisation of the local population needs.

What are the resource implications?

- 9 LCH have identified a non-recurrent £800,000 for the Enhance fund. LCC invoiced LCH for this sum in March 2022 as this had to be accounted for within the financial year end 2021/22, otherwise Leeds would have missed this third sector investment opportunity.
- 10 Under the proposal in this report, LCC will award the full sum received from LCH, £800,000, plus the additional £98,000, to Leeds Older People's Forum (LOPF) who are administering the fund through a bidding and monitoring process.
- 11 It should be noted that LCH have provided funding directly to LOPF for the administration of the Enhance Programme. That arrangement is between those two parties and does not involve LCC. This means that 100% of the £898,000 passed by LCC to LOPF will in turn be invested in third sector organisations and none of it will be retained by LOPF.
- 12 This proposal requires no funding from core LCC budgets.

What are the legal implications?

- 13 The transfer of funding from LCH to LCC will be formalised through an NHS Act Section 256 agreement that will protect all parties involved.
- 14 As the Council would be entering into a grant arrangement with LOPF who will administer the bidding and monitoring of the enhance programme grant the Council will have no contractual control over enforcement of the terms. The only sanction available with grant payments is for the Council to claw-back grant monies unspent.
- 15 There is a risk of challenge that a grant payment is not a grant. Legally there is some confusion about when a grant can and cannot be used as there is a fine line between a grant (which is not caught by the procurement rules) and a contract for services (which is caught by the procurement rules). Although no longer directly applicable to the UKs departure from the European Union the preamble to EU Procurement Directive 2014/24/EU (from which the Public Contracts Regulations 2015 were transposed into English law) is still persuasive and the directive makes it clear at paragraph (4) that "the mere financing, in particular through grants, of an activity, which is frequently linked to the obligation to reimburse the amounts received where they are not used for the purposes intended, does not usually fall within the scope of the public procurement rules".

- 16 As such, unconditional grants are unlikely to meet the definition of a contract set out in the Public Contracts Regulations 2015 (PCR 2015). However, where grants are used with strict qualification criteria and an obligation to pay back money if certain targets are not reached, the position is less straightforward and it is possible that an arrangement referred to as a grant could actually meet the definition of a contract set out in the PCR 2015 and, if it does, the PCR 2015 may apply. It is therefore extremely important to ensure that, if providing grants, the process followed does not fall within the definition of a “public contract” as set out in PCR 2015 which states –“contracts for pecuniary interest concluded in writing between one or more economic operators and one or more contracting authorities and having as their object the execution of works, the supply of products or the provision of services”
- 17 It is unlikely that the grant payments proposed will fall foul of the subsidy control rules.
- 18 Funding from which any grant payment is made must be designated as “grant” money. If the Council wish to make a grant, the money must be in the “grant” block. If it is not, it can normally be moved from other blocks in the Council budget into the grant block.
- 19 As this is a grant it is not subject to the council’s Contracts Procedure Rules or within the Public Contracts Regulations 2015, but good practice and transparency will be observed throughout.
- 20 If approval is granted to proceed with the request, the Head of Commissioning will work with Procurement and Commercial Services to formulate a grant agreement that will protect all parties involved.

What are the key risks and how are they being managed?

- 21 Risk 1: The programme fund does not deliver high quality innovate third sector projects that achieve the programme outcomes. Mitigation: LOPF will distribute the fund through a bidding process based on a clear specification. Successful bidding organisations will provide regular updates on activity, spend and impact. Officers from LCC Adults & Health Commissioning and from Public Health are on the panel for the programme bidding process. LCC Commissioning will require regular reporting on programme spend and impact as part of the terms of the grant award.
- 22 Risk 2: Successful individual third sector projects are delayed (e.g. due to recruitment delays) so that there is slippage on the overall programme in 2022/23. Mitigation: grant can be withheld on the basis of actual spend and/or unspent monies could be extended in 2023/24.
- 23 Risk 3: The funding is non-recurrent and longer-term funding for successful projects is not yet identified. Our Third Sector Compact highlights the need to establish sustainability and long termism to allow third sector organisations to plan ahead and to retain staff. Mitigation: work with system partners to identify at the earliest opportunity during 2022/23 which projects have achieved programme outcomes and whether further funding will be identified for 2023/24 onwards. Ensure participating third sector organisations get any support required to identify alternative funding opportunities. Ensure the Enhance Programme works with successful third sector organisations on their exit strategies.

Does this proposal support the council’s 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

24 People's quality of life will be improved by access to quality services

Options, timescales and measuring success

a) What other options were considered?

25 The only other option was to not take this opportunity to invest £800,000 funding from LCHT in the Leeds third sector.

b) How will success be measured?

26 The specification for the Enhance Programme sets out the success measures for projects that bid to the programme. In essence these seek to establish how well each project works with statutory care services to better achieve the outcomes identified by patients/service users.

c) What is the timetable for implementation?

27 The Enhance Programme fund will be live for the whole of the year 2022/23 with immediate implementation following this decision becoming implementable.

Appendices

28 Enhance programme service specification (for bidding third sector organisations)

Background papers

29 none