

# Leeds Health & Wellbeing Board

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**Report of:** Deputy Director, Adult Social Care; Accountable Officers, Leeds Clinical Commissioning Groups

**Report to:** Health and Wellbeing Board

**Date:** 24 July 2013

**Subject:** Funding Transfer from NHS England to Adult Social Care

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 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 5<sup>th</sup> 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. Transfers for funding of this nature have already taken place for the last two years between Leeds Primary Care Trust and the Local Authority. The vehicle for this was a Section 256 arrangement, signed by both parties, which outlined the use of the funding. Work had already commenced on the 256 document for 2013/14. Although the new arrangement is now formally between NHS England and Leeds City Council, it does need support from the three CCGs in Leeds. The draft 256 arrangement is presently being considered by representatives from the CCGs prior to further circulation across the partner organisations before formal sign off.
3. Once the 256 agreement has been agreed and signed, a further template issued by NHS England will be completed, we will then work with the Area Teams to ensure appropriate monitoring is in place and that that governance has been followed, including approval from the Health and Well Being Board. At that stage the funding will be transferred to the Local Authority from NHS England.

## **Recommendations**

The Health and Wellbeing Board is asked to:

- Delegate Authority to the Chair of the Board, or appropriate members, to approve the proposal for funding transfer once agreement has been reached between the three CCG's and Adult Social Care and the appropriate documents have been completed;
- Consider if further reports on the use of this funding, monitoring arrangements and outcomes should be brought to the Board during 2013/14.

## **1 Purpose of this report**

- 1.1 To seek 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, in order to facilitate timely transfer of the funding.

## **2 Background information**

- 2.1 Since 2011/12 the Department of Health has released funding to the NHS to be transferred to Adult Social Care for 'investment in services to benefit health and improve overall health gain'. For Leeds this has involved transfer from the Primary Care Trust (NHS Leeds) of funds for 2011/12 of £9.3m, and for 2012/13 £8.9m. The funding mechanism for this was a Section 256 agreement between both parties. The document contained an outline of the areas that the funding was to be used for, in 2012/13 this was for: *funding to....ensure sustainability, consolidation and a whole system approach, including homecare, Dementia care and investment in the Third Sector to support early intervention and prevention.* (N.B. This was in addition to the funding to support enablement, which was included in the same agreement. The new arrangement for reablement funding investment will be between the CCG's and Adult Social Care and a separate draft Section 256 has being developed which will shortly be circulated to all parties for sign off).

- 2.2 In December 2012 it was announced by the DH that this transfer of funds to support social care for 2013/14 would be now carried out by the NHS Commissioning Board, now NHS England, using a section 256 agreement between the Board and the Local Authority. The conditions for this included:

- The funding must be used to support adult social care services in each local authority, which also has a health benefit. However, beyond this broad condition, NHS England wants to provide flexibility for local areas to determine how this investment in social care services is best used;
- That the transfer be agreed between the local authority and health partners;
- The transfer takes account of the JSNA and existing commissioning plans;
- The funding can be used to support existing services or transformation programmes, where such services or programmes are of benefit to the wider health and care system, provide good outcomes for service users, and would be reduced due to budget pressures in local authorities without this investment. The funding can also support new services or transformation programmes, again where joint benefit with the health system and positive outcomes for service users have been identified.

- 2.3 For Leeds the figure to be transferred is £11,849,652.

- 2.4 Further to that initial guidance from the DH, NHS England wrote on 5<sup>th</sup> July 2013 to the Chief Executive of the Local Authority and Local CCGs reaffirming the

funding available; re-iterating the conditions above; adding that ‘NHS England will also make it a condition of the transfer that local authorities demonstrate how the funding transfer will make a positive difference to social care services, and outcomes for service users, compared to service plans in the absence of the funding transfer’. It also re-emphasised the role of the Health and Well Being Board and requires that it approves the transfer through receiving a joint report from the CCGs and local authority, supported by attaching the agreed Section 256 agreement.

- 2.5 The Area Teams will act as assurance for this process, and representatives from the CCGs in Leeds are meeting with the Area Teams to discuss establishing processes for this.
- 2.6 In addition the Area Teams will be supplied with specific budget codes to enable them to set up Purchase Orders, monitor the expenditure on this allocation and to drawdown the necessary cash required to pay local authorities on the agreed basis. It is also notable that NHS England will require expenditure plans by local authority to be categorised into the following service areas (Table 1) as agreed with the Department of Health. This will also ensure that the Area Teams can report on a consolidated NHS England position on adult social care expenditure.

<b>Table 1:</b>	
<b>Analysis of the adult social care funding in 2013-14 for transfer to local authorities</b>	
<b><i>Service Areas- ‘Purchase of social care’</i></b>	<b><i>Subjective code</i></b>
Community equipment and adaptations	52131015
Telecare	52131016
Integrated crisis and rapid response services	52131017
Maintaining eligibility criteria	52131018
Re-ablement services	52131019
Bed-based intermediate care services	52131020
Early supported hospital discharge schemes	52131021
Mental health services	52131022
Other preventative services	52131023
Other social care (please specify)	52131024
<b>Total</b>	

- 2.7 NHS England will also ensure that it has access to timely information (via the Health & Wellbeing Board) on how the funding is being used locally against the overall programme of adult social care expenditure and the overall outcomes

against the plan, in order to assure itself that the conditions for each funding transfer are being met.

### **3 Main issues**

- 3.1 As noted, the transfer of funds from the DH, through the NHS, to the Local Authority is not a new process. This has happened during the last two years and there has been agreement reached between the PCT and the Local Authority on the use of this funding, enshrined in a Section 256 arrangement.
- 3.2 The funding has been used to invest in adult social care services to benefit health and to improve overall health gain as outlined above.
- 3.3 Prior to the recent letter from NHS England the work in Leeds had already commenced on the Section 256 Agreement between the Local Authority and NHS England for 2013/14. A draft has been produced but this needs further work prior to it going to the CCGs and Adult Social Care for agreement, prior to sign off.
- 3.4 This draft Section 256 outlines that *'the £11,849,652 is 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 Joint Health and Well Being Strategy and in particular 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'*
- 3.5 The Health and Wellbeing Board will want to ensure that monitoring etc takes place. However, due to the timing of the letter, the dates of the Board and the final work on the 256 Agreement as it gets approval from the 3 CCGs, means that the whole process will be delayed till October 2013 if we await the next meeting of the Board. Therefore this request that formal sign off take place through delegated authority. A report on the agreement reached will of course come to the October Health and Wellbeing Board if requested.
- 3.6 It is worth noting that NHS England are asking for significant additional reporting on the expenditure, both in regard to detail of expenditure, as in the table above; an additional template to be completed for NHS England; and the requirement to *'make it a condition of the transfer that local authorities demonstrate how the funding transfer will make a positive difference to social care services, and outcomes for service users, compared to service plans in the absence of the funding transfer'*.

### **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 been 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 Leeds has a strong history of reaching agreement on this funding transfer between ASC and NHS partners. We have already agreed the broad outline of areas to invest in and are just working on some detail of the Section 256 agreement.
- 5.2 There is the potential of greater involvement from partners through the Health and Wellbeing Board in the monitoring of this funding, particularly in regard to outcomes.
- 5.3 There is increased engagement through NHS England in this process which will significantly increase the bureaucracy needed to support this transfer, expenditure and monitoring.

5.4 The timing of the recent letter, and the dates of the Health and Wellbeing Board, have resulted in this request for delegated sign off of the agreement. However, the agreement will have already been approved by Adult Social Care and the 3 CCGs by the time of the October meeting? and this will be shared with members of the Health and Wellbeing Board then. In addition further reports will come to future Health and Wellbeing Boards.

## **6 Recommendations**

6.1 The Health and Wellbeing Board is asked to:

- Delegate Authority to the Chair of the Board, or appropriate members, to approve the proposal for funding transfer once agreement has been reached between the three CCG's and Adult Social Care, and the appropriate documents have been completed;
- Consider if further reports on the use of this funding, monitoring arrangements and outcomes should be brought to the Board during 2013/14.