

**Health and Wellbeing Board
22 September 2014**

**Funding Transfer from NHS England to Warwickshire
County Council 2014/15**

Recommendation

That the Health and Wellbeing Board approves the proposed spending proposals, outcomes, and monitoring arrangements set out in the Section 256 agreement and, subject to the addition of appropriate NHS England spending codes in Schedule 1, recommends it to Cabinet or the Leader for approval.

1 Introduction

- 1.1 In 2011/12 the Department of Health began to transfer significant sums of money into social care services in order to benefit health. In 2014/15 the transfer is being made directly from NHS England and administrated by the NHS England Area Team. The total amount to transfer for Warwickshire is £10.230m.
- 1.2 Payments have to be made via a "Section 256" agreement between NHS England and Warwickshire County Council (Section 256 refers to the part of the 2006 NHS Act which gives health authorities the power to transfer money to local authorities).
- 1.3 NHS England has set out that it requires local Health and Wellbeing Board approval for spending proposals, outcomes, and monitoring arrangements in order to transfer the money.
- 1.4 This report sets out the proposed use of the transfer and explains how the proposed use meets the criteria set out.
- 1.5 This fund will in 2015/16 become part of the Better Care Fund along with a number of other funding streams, but this report does not consider or make recommendations on any other funds. This report and the associated Section 256 agreement only relate to 2014/15. Any decisions about future funding in 2015/16 or beyond will be the subject of separate reports and decisions.

2 The Purpose of The Transfer

2.1 The following criteria are specified by the Department of Health:

- The funding must be spent on adult social care services that benefit health.
- The local authority must secure agreement with local health partners as to how the funding is best used and the outcomes expected from the investment.
- The proposals must have regard to the local Joint Strategic Needs Assessment and to the existing commissioning plans for local social care and health services.
- The local authority must demonstrate how the funding will make a positive difference to services and outcomes compared to what would have happened in the absence of the transfer.
- The funding can be used to support existing spending, to prevent reductions in spending that would otherwise occur due to budget pressures, or to support new spending.

3 Spending Proposals

3.1 The table below sets out the spending proposals.

Service	£'000
Telecare	140
Reablement	4,421
Respite Care	1,620
Integrated Community Equipment Services	1,223
Community resources (voluntary sector)	250
Dementia Care	500
Residential and Nursing Care (social care)	1,663
7 day working and avoiding hospital admissions	200
Supporting whole system realignment	225
Total	10,242

3.2 A number of services (reablement, telecare, community equipment services, respite care and dementia care) were supported by this funding in 2013/14. For 2014/15 the amounts are adjusted where appropriate to reflect expected spending this year.

3.3 The funding to support community resources is planned to support one off expenditure targeted at supporting community and voluntary sector organisations in making changes to their service offers in order to better support health and social care service users by maximising independence (e.g. support with marketing, branding, staff training, etc).

- 3.4 Funding to support residential and nursing care will support a key part of the social care system to maintain capacity to meet demand.
- 3.5 The funding to support 7 day working is intended to support the scoping of the need for year-round 7 day social care services, including the design and planning of delivery new models. Examples of services under consideration include hospital social work teams, reablement, and care home admissions.
- 3.6 The funding to support whole system realignment is intended to provide additional capacity in commissioning and finance to support work in relation to both the Better Care Fund and the Care Act.
- 3.7 The funding is provided as a single figure for Warwickshire, which is a legacy of the previous Primary Care Trust health structure. Other local health funding is now split between Clinical Commissioning Group (CCG) areas. The table below sets out how the funding would notionally be split by CCG.

Clinical Commissioning Group	% of County	£ Notional Apportionment of Transfer £'000
North	35%	3,595
Coventry and Rugby (Rugby element only)	18%	1,843
South	47%	4,804
Total	100%	10,242

- 3.8 Spending on social care services is guided by the application of FACS criteria which ensures consistency of support across the county. This means that spending on social care across the county may not be in direct proportion to how the health funding formula would apportion it. It is therefore not proposed to make the spending in each area match these figures but it is proposed that how the spending does happen across the county is monitored and that this pattern is then reported and understood to help to inform future commissioning activity.
- 3.9 The spending above is linked to the £10.2m Section 256 transfer. There are other local authority services that benefit health services. For example services funded by ring fenced public health grant such as seasonal flu vaccinations to all health and social care staff who provide direct personal care, aiming to ensure at least 75% of these staff are immunised, taking part in seasonal flu vaccination campaigns and promote uptake in eligible individuals to whom services are provided, and to staff who are eligible for an NHS flu vaccination, but who do not provide direct personal care, and ensuring staff have read and comply with hand hygiene and infection control requirements.

4

Outcomes

4.1 The high level outcomes for customers of social care and health services are summarised in the table below:

Outcomes	
People are independent	<p>People, including those who are vulnerable, are able to live independently and in their own homes.</p> <p>When people develop are needs are able to recover their health and independence quickly.</p>
People enjoy life	<p>Carers of vulnerable people can balance their caring roles and maintain their desired quality of life.</p>
People are cared for	<p>People with care needs have security, stability and are cared for in a positive and safe environment which is appropriate to their individual needs.</p> <p>People with care needs are treated with dignity, respect and sensitivity to their individual circumstances.</p>
<p>People can access the right services:</p> <p>...at the right time</p>	<p>People have choice and control in the services they access.</p> <p>Services respond in a timely manner to assess and support people to regain, retain and maintain independence as soon as possible.</p> <p>People have the support they are entitled to, when they need it.</p>

4.2 The transfer specifically relates to services around the boundaries of health and social care. To this end the following more specific areas are relevant.

- Minimising delayed discharges from hospital.
- Minimising inappropriate admissions to hospital, residential care, and nursing care.
- Minimising inappropriate discharges from and readmissions to hospital.

4.3 The following specific outcome indicators are proposed to reflect this:

- Proportion of older people (65+) who are still at home 91 days following discharge from hospital.
- Delayed discharges from hospital.

5 Monitoring Arrangements

- 5.1 It is proposed to monitor the outputs and outcomes listed in Section 4.3 above on a quarterly basis via the Joint Adults Commissioning Board.
- 5.2 Local authority and health services will monitor and manage a greater number of measures and indicators than these and review them more frequently and in more detail. However, the intention of this agreement is to set out the high level measures of activity that relate to the transfer, rather than to detail all of the measures that may be used.

6 Links to JSNA and Current Commissioning Plans

- 6.1 The priorities set out within the current joint strategic needs assessment include reference to long-term conditions, mental well-being, dementia, and ageing and frailty. The commissioning intentions of the local authority and health services are guided by the joint strategic needs assessment.
- 6.2 Long term conditions: around one in three adults live with at least one long-term condition, driven in part by an ageing population, and in part by unhealthy lifestyle choices.
- 6.3 Mental well-being: over 10% of adults living in Warwickshire live with common mental health problems.
- 6.4 Dementia: there are over 3000 patients on Warwickshire GPs disease register for dementia. However, data suggests that only 43% of people in Warwickshire with dementia have been formally diagnosed.
- 6.5 Ageing and frailty: the largest underlying causes of death for the three years from 2008 to 2010 are cancers and cardiovascular diseases each of which account for nearly 30% of all deaths across the County. During the same period, 39% of deaths occurred either at home or in care homes whereas 55% were in hospitals.
- 6.6 The customers being supported by this expenditure will in large part be living with long-term conditions, mental health conditions, dementia, and ageing and frailty related conditions.

7 Recommendations

- 7.1 That the Health and Wellbeing Board approves the proposed spending proposals, outcomes, and monitoring arrangements set out in the Section 256 agreement and, subject to the addition of appropriate NHS England spending codes in Schedule 1, recommends it to Cabinet or the Leader for approval.

8 Background Papers

- 8.1 There are no background papers.

September 2014

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Section 256 2014/15 Social Care Transfer Version 4 Final

DATED _____ **September 2014**

NHS England (1)

and

Warwickshire County Council (2)

Agreement

Section 256 Revenue Grant

(In duplicate)

THIS AGREEMENT is made on September 2014
BETWEEN:

- (1) **NHS England** of Quarry House, Leeds, LS2 7UE, (**'NHS England'** which expression shall include any successor body or other NHS body on whose behalf NHS England is authorised to enter into this Agreement);
- (2) **THE WARWICKSHIRE COUNTY COUNCIL** of Shire Hall, Warwick CV34 4RR (**"the Council"**).

RECITALS

- (A) The Council is the local Social Services Authority for the County of Warwickshire within the meaning of the Local Authority Social Services Act 1970
- (B) NHS England is empowered by Section 256 of the National Health Service Act 2006 to make payments to the Council as local Social Services Authority towards expenditure incurred or to be incurred by it in connection with any social services functions (within the meaning of the Local Authority Social Services Act 1970), other than functions under section 3 of the Disabled Persons (Employment) Act 1958
- (C) NHS England has agreed to make payments to the Council towards expenditure incurred by it in commissioning and/or providing social care services.
- (D) The Council has agreed to accept such payments and to use them to commission and/or provide social care services.

1. Definitions

- 1.1 The following expressions shall where the context so admits have the following meanings:

"Agreement" means this Agreement;

"Annual Voucher" means a document to be prepared by the Council and submitted to the PCT to show the correct use of the Revenue Grant in any Financial Year, in the form as set out in Schedule 3;

‘Clinical Commissioning Groups’ means Coventry and Rugby Clinical Commissioning Group, South Warwickshire Clinical Commissioning Group and Warwickshire North Clinical Commissioning Group;

“Council” means Warwickshire County Council;

“Financial Year” means the 12 month period from 1 April of any year to the following 31 March of the next year;

‘Local Area Team’ means the Arden, Herefordshire and Worcestershire Area Team which is the NHS body responsible for commissioning primary care services and supporting and developing Clinical Commissioning Groups.

“Revenue Grant” means the following sum to be paid to the Council. pursuant to this Agreement in accordance with the payment profiles set out in Schedule 2:

Financial Year	2014/15
Amount	£10,242,000

“Social Care Services” means services provided under the enactments listed in the Local Authority Social Services Act 1970), other than services provided under section 3 of the Disabled Persons (Employment) Act 1958

2 Interpretation

- 2.1 Obligations undertaken or to be undertaken pursuant to this Agreement by more than a single person shall be made and undertaken jointly and severally.
- 2.2 References to any statute or statutory provision in this Agreement shall be deemed to refer to any modification or re-enactment thereof for the time being in force whether by statute or directives and regulations (intended to have direct application within the United Kingdom) adopted by the Council or the European Communities.
- 2.3 The headings are inserted for convenience only and shall be ignored in construing the terms and provisions of this Agreement.
- 2.4 References in this Agreement to any clause or sub-clause or schedule without further designation shall be construed as a reference to the clause or sub-clause of or schedule to this Agreement so numbered.

3 Purpose of Transfer

- 3.1 It has been agreed between the parties how the Revenue Grant will be spent, and this is set out in Schedule 1.
- 3.2 The key joint strategic aims underpinning the Agreement are focussed around (1) principles of rehabilitation, recovery & reablement; (2) the development of joint pathways to ensure care support networks can respond to customers' needs, regardless of their capacity or complexity; and (3) providing a seamless journey for customers through the assessment and support process.
- 3.3 The following statements set out these aims more specifically...
 - 3.3.1 To rehabilitate to the optimum so that patients return to the level of independence they had before becoming unwell.
 - 3.3.2 To prevent inappropriate secondary care admission and to facilitate timely secondary care discharge
 - 3.3.3 To prevent inappropriate admissions to nursing and residential care so that patients do not become unnecessarily institutionalised and are given every opportunity to regain their independence and return to their original place of residence.
 - 3.3.4 To reduce impairments attributable to long term conditions
 - 3.3.5 To be inclusive in nature and reflect equality requirements by allowing all people who would benefit from access to receive services including people with a learning difficulty, mental health need, and physical impairment
 - 3.3.6 To promote social inclusion where appropriate
 - 3.3.7 To allow the development of patient capability in self directing their care and self-managing their conditions
 - 3.3.8 To allow patients to end their lives in the place of their choice

4 Revenue Grant

- 4.1 NHS England will pay the Revenue Grant to the Council in accordance with the payment schedule set out at Schedule 2.
- 4.2 The Revenue Grant is to be expended on or reserved for planned expenditure on Adult Social Care Services for the benefit of Warwickshire residents and for no other purpose.
- 4.3 Any Revenue Grant not committed or spent by 31st March 2015 will continue to be managed by joint agreement between the Council and the Clinical Commissioning Groups under the terms of this Agreement.
- 4.4 The Council shall submit to NHS England an Annual Voucher in the form set out in Schedule 3.

5 Commencement

- 5.1 This Agreement shall come into force on the 1st April 2014 and will continue until the 31st March 2015.

6 Warranty

- 6.1 The Council and NHS England both warrant that they have the power to enter into this Agreement.

7 Law

- 7.1 The construction validity and performance of this Agreement shall be governed by the laws of England and Wales.

8 Dispute Resolution

- 8.1 If any dispute or difference ("the Dispute") arises out of or in connection with this Agreement the parties shall use their best endeavours to reach agreement promptly and amicably.
- 8.2 Any dispute or disagreement which arises out of or in connection with this Agreement shall be referred to an appropriate manager by each of the parties who shall within 28 days of the dispute or difference arising attempt to resolve the same.

- 8.3 To the extent that the dispute or difference is not resolved by the managers referred to in clause 8.2 it shall be referred within 28 days after their consideration to the Strategic Director (People Group) of the Council and the Chief Executive of the Local Area Team who shall seek to resolve the same.
- 8.4 If agreement cannot be reached within 28 days of a referral to the officers referred to in clause 8.3 the Parties may seek mediation from a panel comprising members of the NHS England (or an equivalent authority), the Government Offices for the Region, and ADASS.

Schedule 1

The financial breakdown of the Revenue Grant is as follows:

Service	£'000	NHS England Subjective Description	NHS England Subjective Code
Telecare	140	Codes to be completed before submission	
Reablement	4,421		
Respite Care	1,620		
ICES	1,223		
Community resources (voluntary sector contracts and community capital)	250		
Dementia Care	500		
Residential and Nursing Care (Social Care)	1,663		
7 day working and avoiding hospital admissions	200		
Supporting whole system realignment - Commissioning and finance support	225		
Total	10,242		

Schedule 2

Schedule of Payments

The Revenue Grant will be paid in 12 monthly instalments of £853,500 throughout 2014/15, paid by the end of the month that the amount relates to.

Schedule 3

Annual Voucher

THE WARWICKSHIRE COUNTY COUNCIL

PART 1 STATEMENT OF GRANT EXPENDITURE FOR THE YEAR 1 April 2014 to 31 MARCH 2015

(if the conditions of the payment have been varied, please explain what the changes are and why they have been made)

Scheme Ref No.	Revenue	
Total and Title of Expenditure		Expenditure
Project		£

PART 2 STATEMENT OF COMPLIANCE WITH CONDITIONS OF TRANSFER

I certify that the above expenditure has been incurred in accordance with the conditions including any cost variations for each scheme approved by NHS England in accordance with the Directions made by the Secretary of State under Section 256 of the NHS Act 2006 as substituted by Section 1 of the Health and Social Services Adjudication Act 1983 and amended by Section 29 of the Health Act 1999

Signed Date

Review by NHS England

I/We have examined the entries in this form and the related accounts and records of the WARWICKSHIRE COUNTY COUNCIL and have carried out such tests as I/we consider necessary and I/we have obtained such explanations as I/we consider necessary.

I am/We are of the opinion that:

- the entries are fairly stated
- the expenditure has been properly incurred in accordance with the Memorandum of Agreement signed by NHS England

Auditor Date

NHS England

Name

Signature

Warwickshire County Council

Name

Signature