

TITLE	Funding Transfer from NHS England; and preparing for the Better Care Fund 2014-15
FOR CONSIDERATION BY	Extraordinary Health and Wellbeing Board on 11 September 2014
WARD	None specific
STRATEGIC DIRECTOR	Stuart Rowbotham, Director of Health and Wellbeing

OUTCOME / BENEFITS TO THE COMMUNITY

To inform the Health and Wellbeing Board of how the 2014-15 funding transfer from the NHS and 'Preparing for the Better Care Fund' is being used by Wokingham Borough Council.

RECOMMENDATION

That the Health and Wellbeing Board approve the use of the 2014-15 transferred monies.

SUMMARY OF REPORT

1. Introduction

1.1 For 2014-15 an additional £0.068m was provided to Wokingham Borough Council by the NHS. This increased the total NHS funding level to £1.506m in 2014/15. In addition the Council will also receive £0.335m to prepare for the implementation of pooled budgets with Health in April 2015 and to make early progress against the national conditions and performance measures set out in the locally agreed Better care Fund Plan.

1.2 In order to secure the release of these funds agreement needs to be reached between the Council and NHS England (via the Thames Valley Area Team and the CCGs in Berkshire West) on how they are being used within social care and the outcomes expected from this investment. Other conditions of the transfer are that:-

1.2.1 The LA and CCG have regard to the JSNA for the population and existing health and social care commissioning plans and

1.2.2 LAs demonstrate how the funding transfer will make a positive difference to social care services and outcomes for service users compared to plans in the absence of this funding transfer

1.3 The Health and Wellbeing Board has been agreed as the forum for discussions and agreement between the parties.

2. Proposal

2.1 This report explains the financial background in which the Council is operating and how the total NHS funding has been used to support Adult Social Care and

the implementation of the Better Care Fund and Care Act.

2.2 Agreement has been reached between the NHS England Area Team and the Council and this report, along with the appended S256 agreement, identifies those areas of service which have been protected as a result of this funding.

3. Conclusion

3.1 The additional NHS Funding has been most welcome and has been used to protect care services at a time when total funding for councils has been significantly reduced.

Background

1. Introduction

1.1 In 2013-14 Wokingham Borough Council received £1.4m of Health and Social Care Funding from the Department of Health. The Department of Health letter dated 7th May 2014 (ref LASSL (DH)(2014)1) states that "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, the Department wants to provide flexibility for local areas to determine how this investment in social care services is best used."

1.2 For 2013-14 the £1.4m was allocated as shown in the table below. Whilst this funding was most welcome, it does have to be seen in the context of the year on year budget reductions faced by this and other councils. Local Authorities have been subject to significant spending cuts as part of the Comprehensive Spending Review, 28% over four years. For Wokingham this resulted in a net cut of £0.6m in 2014-15, this after taking into account £1.4m of demographic growth therefore £2.0m gross savings, 5% cut on net budget with a further 7% reduction forecast for 2015/16.

Detail	Budget 2013-14 £s
Community Equipment and Adaptations	167,354
Telecare	30,000
Integrated care and rapid response services	155,000
Reablement Services	390,000
Bed based intermediate care services	130,000
Early supported discharge Schemes	155,000
Mental health services	200,000
Other preventative services	210,000
Total	1,437,354

1.3 The allocation for 2014-15 requires the approval of the Health and Wellbeing Board consistent with the terms relating to 2013-14 which was approved by this Board on 11th October 2013.

2. Use of Transferred Funds in 2014-15

2.1 The Council is dedicated to maintaining and safeguarding our most vulnerable residents through continued investment in its ASC function. Whilst, in line with all other Council services, ASC has been required to deliver efficiency savings, the net position for 2014/15 being a reduction in budget, it still invested £1.4m of funds into the service to drive more effective practise and meet an ever increasing client base.

2.2 In order to ensure councils are making appropriate use of the transferred funds, NHS England has requested that spending is classified under the categories set out in the table below. These sums have been allocated against each row on

the basis that these are the likely areas where cuts have been avoided as a result of this funding. Using the transferred funds to support existing services was a recognised option for councils (further details of the services protected are provided in Section D of the attached S256 agreement).

Detail	Budget 2013-14 £s	Budget 2014-15 £s
Community Equipment and Adaptations	167,354	235,617
Telecare	30,000	30,000
Integrated crisis and rapid response services	155,000	155,000
Reablement Services	390,000	390,000
Bed based intermediate care services	130,000	130,000
Early supported hospital discharge Schemes	155,000	155,000
Mental health services	200,000	200,000
Other preventative services	210,000	210,000
Preparing for the Better Care Fund	0	335,000
Total	1,437,354	1,840,617

2.3 Whilst ASC would have had no desire to make cuts in these areas it has to be recognised that with reduced overall funding and an ageing population it would be these non-statutory functions (preventative services, early hospital discharge schemes, reablement etc.) that would have had to be scaled back.

3. Transfer Process

3.1 The monies will only be passed over to the Council once the Section 256 agreement has been signed by both the Council and the NHS England Area Team. The agreement document is provided as Appendix 1 to this report and will be signed following the approval of this report by the Health and Wellbeing Board.

4. Future Years Funding

4.1 Overseen by the Health and Well Being Board, the Council and the NHS jointly need to develop plans that cover how future increased funding from 2015-16 onward, should be best utilised within the health and social care economy. These plans must demonstrate how care and support services will be protected and how a number of new significant additional responsibilities will be met which include, but are not limited to;

- 7-day working in health and social care, to support patients being discharged and prevent unnecessary admissions to hospital at the weekend
- better data sharing, including universal use of the NHS number as a unique identifier
- a joint approach to assessment and care planning

4.2 A series of meetings between senior staff from the Council and their NHS colleagues are in progress in order to move this work forward.

- 4.3 The same Department of Health letter of 7th May 2014 (ref LASSL(DH)(2014)1 also allocated £335k to the Council to be used to cover some of the costs associated with preparing for the Better Care Fund and is also subject to a s256 agreement hence its inclusion. The conditions relating to this allocation is that it is “a condition of the transfer that the local authority has agreed a completed Better Care Fund plan with its partner CCG, and that this plan has been signed off by their Health and Wellbeing Board.”
- 4.4 Whilst detail in major areas of the Care Act are still being confirmed, the work done to model the financial impact of the Care Act on this Council does suggest that it will result in major additional costs. The Government has previously stated that it would fully fund the costs arising from the Care Act but we need to be cautious that the same funding is not spent more than once.
- 4.5 The (measurable) outcomes are set out in Section D of the Section 256 Agreement.
- 4.6 The reporting arrangements are set out in section E of the agreement and in addition the monthly Wokingham Integration Strategic Partnership (a Joint Officer Group) will oversee this agreement.

5. Conclusion and recommendations

- 5.1 The additional funding from the NHS in 2014-15 has been used to minimise the substantial cuts to Adult Social Care that would have otherwise been required. This approach has largely avoided any negative impact on service users and has allowed Adult Social Care to maintain the investment in preventative services, and its excellent performance record on early hospital discharge, whilst continuing to develop local crisis response services and make positive changes to the reablement function.
- 5.2 It is recommended that the Health and Well Being Board note the contents of this report and approve the 2014/15 spend and the associated draft S256 Transfer Agreement.

Analysis of Issues

As above.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£1,840,617 grant income as described above	n/a	revenue
Next Financial Year (Year 2)	tba		
Following Financial Year (Year 3)	tba		

Other financial information relevant to the Recommendation/Decision

As described above

Cross-Council Implications

Impacts on the adult social care finances are highly significant for the Council given the scale of the budget.

Reasons for considering the report in Part 2

n/a

List of Background Papers

Department of Health letter dated 7th May 2014 (ref LASSL(DH)(2014)1)

Contact Teresa Bell	Service Health & Wellbeing
Telephone No 0118 974 6833	Email Teresa.bell@wokingham.gov.uk
Date 02 September 2014	Version No. 1

Contact Matthew Marsden	Service Resources
Telephone No 07771 843818	Email matthew.marsden@wokingham.gov.uk
Date 02 September 2014	Version No. 3

Between

NHS England (Thames Valley) and Wokingham Borough Council together referred to as “the Parties”

Giving effect to a transfer of monies from NHS England to the Wokingham Borough Council pursuant to Section 256 of the NHS Act 2006.

Section A: Background and Principles

1. The purpose of this Memorandum of Agreement is to provide a framework within which the Parties will enable transfers of funding pursuant to Section 256 of the NHS Act 2006 and in line with the National Health Service (Conditions relating to payments by NHS Bodies to Local Authorities) Directions 2013, to enable those funds transferred to be invested by social care for the benefit of health and to improve overall health gain.
2. For 2014/15 the funding transfer to West Berkshire Council by the NHS consists of two allocations. The main component is £1.506m plus an additional grant for preparing for the Better Care Fund of £335k, amounting in total to £1,840,617.
3. NHS England Thames Valley, on the recommendation of Wokingham Clinical Commissioning Group and the Wokingham Health and Wellbeing Board (“through approval of s256 paper at its meeting on 11th September 2014 and is satisfied that:
 - the transfer of this funding is consistent with their Strategic Plan that it is likely to secure a more effective use of public funds than if the funds were used for solely NHS purposes, in line with the conditions relating to Section 256 payments the Act.
 - The transfer of these funds has had regard to the Joint Strategic Needs Assessment, the draft Health and Wellbeing Strategy and the commissioning plans of both the Clinical Commissioning Group and Local Authority.
 - The funding transfer will make a positive difference to social care services, and outcomes for users, compared to service plans in the absence of a funding transfer

Section B: Purpose of this Memorandum of Agreement

4. This Memorandum of Understanding gives effect to those arrangements to benefit the population of Wokingham through the use of these monies the partners intend to secure more efficient and effective provision of services across the health and social care interface as outlined in Schedule 1.
5. Monies defined in Section C below will be transferred to the Local Authority under Section 256 and used in accordance with the terms of this agreement. If this subsequently changes, the memorandum must be amended and re-signed, as a variation to the original.
6. This Memorandum of Understanding governs the transfer, monitoring and governance arrangements for the monies and the projects associated with delivering the objectives.

Section C: Terms of Agreement – The sums of money

7. The money, which shall be transferred from NHS England to Social Care, is shown below:

	2014/15
<i>Allocations for social care</i>	£1,840,617

8. Payments will be made quarterly based on invoices issued by the Local Authority. The invoices must quote the relevant purchase order number as advised by NHS England.
9. Where a payment is made under this Agreement, the Council will provide an annual voucher in the form set out in Schedule 3 to Agreement. This voucher must be authenticated and certified by the Director of Finance or responsible officer of the recipient.
10. Recipients must send completed vouchers to their external auditor by no later than 30th September following the end of the financial year in question and arrange for these to be certified and submitted to the paying authority by no later than 31st December of that year. A Certificate of Independent Auditor opinion is set out in Schedule 3 to the Agreement.

Section D: Terms of Agreement – The uses of money

11. Uses of this funding will be as follows and will be subject to review as part of the joint governance arrangements set out in Section E below:

Detail	Budget £s	Outcome
Community Equipment and Adaptations	235,617	The funding increase of £68,263 from 2013/14 will enable an increased level of service to alleviate demand and assist in maintaining residents safely in their own home. Equipment provided enables safe hospital discharge and aids prevention from health and social care services.
Telecare	30,000	The Council are looking to maintain its Telecare service and the funding received will support this service. Enabling efficient and effective practise to direct residents to the right resources and offer advice as appropriate.
Integrated care and rapid response services	155,000	The funding transfer will enable current service levels to be maintained. The Council is working closely with the CCG MDT team to support integrated care & rapid response to minimise the impact on health and social care services.
Reablement Services	390,000	The funding transfer will enable current service levels to be maintained. Funds team dedicated to reablement services, joint funded post also appointed to ensure integration of reablement with intermediate care. .
Bed based intermediate care services	130,000	The funding transfer will enable current service levels to be maintained. Continues to fund Health Liaison services
Early supported discharge Schemes	155,000	The funding transfer will enable current service levels to be maintained. Continues to fund the Health Liaison services and maintain Wokingham's excellent record of early supported discharge.
Mental health services	200,000	The funding transfer will enable current service levels to be maintained. This is a closely scrutinised area of service and this funding enables current demand to be met.
Other preventative services – (financial support to the voluntary sector and other organisations currently providing a range of preventative services)	210,000	The funding transfer will enable current service levels to be maintained. Carers support; range of commissioned services and individual grants to support Carers to continue caring; respite, day opportunities; education, support groups, contingency planning. Preventative services; range of commissioned services to support independence, self-sufficiency and reduce dependency on statutory services; day opportunities, family support, home from hospital, handyman, befriending.
Preparing for the Better Care Fund	335,000	The funding will enable the interim resources necessary (not covered by the Call To Action Fund) to implement the BCF. The funding enables effective project management and support; necessary changes to IT (eg use of NHS number); and one off set up costs relating to the joint team now established at the Old Forge in Wokingham.
Total	1,845,617	

Section E: Terms of Agreement - Governance, Reporting and Monitoring

12. In Wokingham Borough Council the Agreement shall be held by Director of Adult Services and appointed nominees to manage, monitor and deliver.
13. In NHS England the Agreement shall be held by the NHS England (Thames Valley) Director and appointed nominees to manage, monitor and deliver NHS interests.
14. In Wokingham CCG and the appointed nominee for governance and monitoring purposes will be the Director of Joint Commissioning.
15. The Berkshire West Partnership Board shall monitor and review the programme of work monthly and ensure corrective action where required. At least one officer of the CCGs shall be a member of this Board. Wokingham Wellbeing board will receive quarterly reports on the progress of the programme of work from the Partnership Board and ensure the programme supports the delivery of the Health and Wellbeing Strategy and Joint Strategic Needs Assessment.
16. NHS England will be represented on the Wokingham Wellbeing Board. The Health and Wellbeing Board will review the annual expenditure of the allocation.
17. Any underspend on the transfer money will be discussed by Wokingham Borough council and the CCG via the Partnership Board and agreement reached as to how the underspend should be dealt with. This may include retention of the under spend with Wokingham Borough Council for use on additional activity for the benefit of health.
18. The Council will report expenditure plans on a monthly basis to NHS England (Thames Valley) categorised into the following service areas (Table 1) as agreed with the Department of Health.

<i>Service Areas- 'Purchase of social care'</i>	
Community equipment and adaptations	Dementia services
Telecare	Support to primary care
Integrated crisis and rapid response services	Integrated assessments
Maintaining eligibility criteria	Integrated records or IT
Re-ablement services	Joint health and care teams/working
Bed-based intermediate care services	Other preventative services
Early supported hospital discharge schemes	Other social care (please specify)
Mental health services	Other intermediate care (please specify)
Housing Projects	Care Act and BCF implementation support
Employment Support	Learning disabilities services

Section F: Terms of Agreement - Renewal, Disputes, Variation and Alteration

- 19. The agreement may be altered by mutual consent by an exchange of letters.
- 20. In relation to continuation beyond 1st April 2015, such provisions as shall be directed by the Secretary of State on continuation and transferal of agreements shall apply.
- 21. Disputes shall be resolved by informal means wherever possible and thence by formal meeting of the Partnership Board and referral to the Health and Wellbeing Board if agreement cannot be reached.

Section G: Signatures

In respect whereof, the parties to this agreement have caused to be affixed their hands and seals.

Signature _____

Name _____

Date _____

FOR AND ON Wokingham Borough Council

Signature _____

Name _____

Date _____

FOR AND ON BEHALF NHS ENGLAND

SCHEDULE 3

Section 256 Voucher

Wokingham Borough Council

PART 1 STATEMENT OF EXPENDITURE FOR THE YEAR 31 MARCH 2015

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

Title of Expenditure Adult Social Care Funding Transfer in 2014/15 to Local Authorities

Value £1,840,617

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 the NHS England and NHS Wokingham Clinical Commissioning Group in accordance with the National Health Service (Conditions Relating to Payments by NHS Bodies to Local Authorities) Directions 2013.

Signed:

Date:

Director of Finance or responsible officer of the recipient (see paragraph 5(3) of the Directions).

Certificate of independent auditor

I/We have:

- examined the entries in this form (which replaces or amends the original submitted to me/us by the authority dated)* and the related accounts and records of the and
- carried out such tests and obtained such evidence and explanations as I/we consider necessary.

(Except for the matters raised in the attached qualification letter dated)* I/we have concluded that

- the entries are fairly stated: and
- the expenditure has been properly incurred in accordance with the relevant terms and conditions.

Signature Name (block capitals) Company/Firm

Date

* Delete as necessary