

# **Report of the Strategic Director of Adult and Community Services to the meeting of the Health and Wellbeing Board to be held on 25 November 2014.**

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**Subject:**

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**Funding transfer from the NHS to Social care.**

## **Summary statement:**

**The purpose of this report is to outline the proposals to use the funding transfer from the NHS to social care and to seek agreement from the Health and Wellbeing Board on the funding proposals.**

**The Clinical Commissioning groups are in agreement with the funding proposals.**

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**Portfolio: Adult Services and Health**

**Overview & Scrutiny Area:**

**Health and Social Care**



## 1. SUMMARY

The purpose of this report is to outline the proposals to use the funding transfer from the NHS to social care and to seek agreement from the Health and Wellbeing Board on the funding proposals.

The three Clinical Commissioning Groups covering Bradford District are in agreement with the funding proposals. Guidance provided by NHS England requires that Clinical Commissioning Groups and the local authority bring this joint report to agree what the funding will be used for, along with any measurable outcomes and agree the monitoring arrangements.

This report also updates the Health and Wellbeing Board on the Better Care Fund plan for Bradford.

## 2. BACKGROUND

The 2011/12 Operating Framework for the NHS in England outlined intentions to allocate funding to Primary Care Trusts to support adult social care. Bradford was allocated £6m in 2011/12 and again in 2012/13. In addition, Adult Services received £1.7m of a £3m allocation to the PCT for reablement in 2011/12 and in 2012/13.

The funding for the Adult Social Care Support (as detailed above) was transferred by the NHS under section 256(5A) (5B) of the 2006 NHS Act. The PCT also transferred the reablement funding under the same Act.

In 2013/14 £8.22m was transferred from NHS England to Adult Services via section 256 of the NHS Act subject to the Health and Wellbeing Board approval, this was approved on 19 September 2013. In addition, £1.542m reablement funding for Adult Services was agreed by the Clinical Commissioning Groups.

For 2014/15, £1.485m reablement funding has been approved.

From 2015/16 these funds will become part of the Better Care Fund pooled budget.

## 3. OTHER CONSIDERATIONS

### Funding Proposals for 2014/15

- 3.1 The funding proposals are a mixture of transformational service redesign in the context of the Integrated Care for Adults Programme, responding to purchased care cost pressures across all client groups and protecting social care services. Some NHS funding is being used to support purchased care budgets which are overspending in order that adult services can continue to support transfers without



delays from acute hospitals and mental health wards.

**3.2** The following table outlines the spending proposals:

	<b><u>NHS England Funding Transfer</u></b>	<b><u>Amount</u></b>
	<b><u>Spending Proposals</u></b>	<b><u>£m</u></b>
	-	-
1	Equipment, including children's equipment, safe and sound service ,this is in addition to the CCG contribution to the pooled budget )	<b><u>1.131</u></b>
2	Domiciliary care - provision of re-ablement service	<b><u>2.99</u></b>
3	Adult Services – residential services	<b><u>0.347</u></b>
4	Extra Care Support Adult Services	-
5	Adult Services Day Services	<b><u>0.446</u></b>
6	Mental Health Services – Purchased care	<b><u>0.433</u></b>
7	LD Purchased Care	<b><u>0.928</u></b>
8	PD Purchased Care	<b><u>0.524</u></b>
9	Older People Purchased Care	<b><u>2.904</u></b>
10	Increase staffing in Access, Assessment and Support Teams to support integrated community team development.	<b><u>0.8</u></b>
	Total	<b><u>10.503</u></b>

### **3.3 Reablement funding transfer from Clinical Commissioning Group**

<b>Total transfer £1,485,000</b>		
	<b>Spending Proposal</b>	<b>Amount £m</b>
1.	<b>BEST and Reablement Service</b> Contribution to the delivery of a district wide home care reablement service following discharge, free of charge to service users working closely with the Intermediate Care Virtual Ward and Integrated Community Teams. In relation to this service, Bradford teaching NHS foundation trust therapy services are funded to support the BEST and service with occupational therapy support for assessment and training. Additional funding has been provided for CBMDC to fund a senior BEST and worker to support staff to develop their competencies.	0.352
2.	Intermediate Care Beds – Use of Adult Services beds as rehab beds.	0.790
3.	Non weight bearing/ pre-rehabilitation pathway use of beds.	0.150
4.	Social Workers working 7 days a week within hospital teams	0.088



5.	Home Care Services working 7 days a week in hospital teams	0.105
<b>Total</b>		<b>1.542</b>

### 3.3 Better Care Fund (BCF)

NHS England has announced a £3.8 billion fund to ensure closer integration between health and social care. The fund will be known as the Better Care Fund (BCF). The fund comes into full effect in 2015/16 and CCGs and the local authority have developed joint plans covering further NHS funding for social care and reablement funds in 2014/15 and the BCF in 2015/16 which has been approved by the Health and Well being Board.

The BCF will be deployed locally on social care and health services as a pooled budget and will be subject to national conditions.

The fund must deliver improvements across social care and the NHS, and will also:

- Protect Adult Social Care
- Support the implementation of the Care Bill
- Protect funding for carers services
- Protect funding for Disabled Facilities Grants

The main focus of the BCF locally is in line with the delivery of integrated care services across the NHS, social care and the voluntary and community sector. It directly supports and secures funding for the expansion of integrated intermediate care services to directly reduce emergency admissions to hospital by supporting people at home and in specialist intermediate care beds across the NHS and LA.

The National Consistent Assurance Process is now complete and Bradford's plan has been 'Approved with Conditions'. These conditions are now being addressed and mainly concern further clarity within the narrative of the plan as to the detailed schemes that will be supported. It is anticipated that the plan will be submitted by the end of November and full approval received shortly afterwards.

## 4. FINANCIAL & RESOURCE APPRAISAL

Adult Services budget for this financial year has been set with the funding transfer from NHS England and the reablement funding from the Clinical Commissioning groups accounted for within the financial plans for the department.

## 5. RISK MANAGEMENT AND GOVERNANCE ISSUES

Service delivery is ongoing, using the funding. Plans are being implemented to redesign services such as increasing the number of council managed residential beds being used as intermediate care beds. Developing 24/7 domiciliary enablement care, protecting the enablement service provided by Adult Service and enhancing integrated working between health and care.



Additional access assessment and support staff have been recruited to work with health staff to provide integrated services in particular in intermediate care. It is therefore fundamental that the funding proposals are considered comments provided and then endorsed so that plans can continue to be implemented.

The governance arrangements have been outlined in a letter from NHS England 19 June 2013 (appended at 10.1). The outcome measures proposed are agreed as part of the integrated adults programme and are included in the joint health and social care performance framework. The performance framework is monitored at the respective transformation and integration groups and will be used to report progress to the Health and Wellbeing Board in the future.

## **6. LEGAL APPRAISAL**

The funding transfers will be made under Section 256 (5A) (5B) of the 2006 NHS Act.

## **7. OTHER IMPLICATIONS**

### **7.1 EQUALITY & DIVERSITY**

No Issues

### **7.2 SUSTAINABILITY IMPLICATIONS**

No Implications

### **7.3 GREENHOUSE GAS EMISSIONS IMPACTS**

No implications

### **7.4 COMMUNITY SAFETY IMPLICATIONS**

No Implications

### **7.5 HUMAN RIGHTS ACT**

No Implications

### **7.6 TRADE UNION**

No Implications

### **7.7 WARD IMPLICATIONS**

No Implications



**7.8 AREA COMMITTEE ACTION PLAN IMPLICATIONS  
(for reports to Area Committees only)**

No implications

**8. NOT FOR PUBLICATION DOCUMENTS**

None.

**9 RECOMMENDATIONS**

That the Health and Well Being Board are aware of the funding from the CCG and NHSE and agree to the preparation of the S256 agreement with NHS England.

**10 APPENDICES**

10.1 Funding Transfer from NHS England to Social care letter 9 May 2014

**12. BACKGROUND DOCUMENTS**

None





Gateway Reference: 01597

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**To:**  
NHS England Area Team Directors

9 May 2014

Dear Colleagues

### **Funding Transfer from NHS England to social care – 2014/15**

1. For 2014/15, the Department of Health has transferred funding to support adult social care to NHS England as part of the Mandate.

2. This letter provides information on the transfer to local authorities, how it should be made, and the allocations due to each local authority under Section 256 (5A)(5B) of the 2006 NHS Act. It is noted that decisions may have already been made for the use of the funding and that this letter is formalising such arrangements: <http://www.england.nhs.uk/ourwork/part-rel/transformation-fund/bcf-plan/>

#### **Amount to be transferred**

3. For the 2014/15 financial year, NHS England will transfer £1,100 million from the Mandate to local authorities. £200m of this total is the first part of the Better Care Fund, intended to help local authorities and clinical commissioning groups prepare for the implementation of the full Better Care Fund pooled budget in 2015/16. For the avoidance of doubt, the 2014/15 element of the Better Care Fund does not have to be held in a pooled budget.

We have undertaken an exercise to map all local authorities to NHS England Area Teams, and the amounts to be paid to individual local authorities from the Area Teams are set out at Annex A.

### **Legal basis for the transfer**

4. The payments are to be made via an agreement under Section 256 of the 2006 NHS Act. NHS England will enter into an agreement with each local authority and will be administered by the NHS England Area Teams (and not Clinical Commissioning Groups). Funding from NHS England will only pass over to local authorities once the Section 256 agreement has been signed by both parties.

For reference, please find below the national directions for 2014, which set out the conditions, Memorandum of Agreement, and Annual Vouchers for use. In line with the Directions, the application and outcome monitoring of the use of funds must be agreed between NHS England, the local authorities and their local health partners.

### **Use of the funding**

In summary, before each agreement is made, certain conditions must be satisfied as set out below:

#### Better Care Fund

5. As set out in the BCF annex to the Planning Guidance<sup>1</sup>, each Health and Wellbeing Board must have agreed its Better Care Fund plan in order to have access to its share of the £200m Better Care Fund allocated in 2014/15. As plans were to be submitted in April, this condition should already be satisfied.

#### Remaining s256 transfer

6. The remaining £900m will be subject to the same arrangements as the s.256 transfer was in 2013/14. These are summarised below.

7. 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.

8. The joint local leadership of Clinical Commissioning Groups and local authorities, through the Health and Wellbeing Board, is at the heart of the health and social care system. NHS England will ensure that the local authority agrees with its local health partners how the funding is best used within social care, and the outcomes expected from this investment. Health and Wellbeing Boards will be the forum for discussions between the Area Teams, CCGs and local authorities on how the funding should be spent.

9. In line with their responsibilities under the Health and Social Care Act, NHS England will make it a condition of the transfer that local authorities and CCGs have regard to the Joint Strategic Needs Assessment for their local population, and existing commissioning plans for both health and social care, in how the funding is used.

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<sup>1</sup> Available on NHS England's BCF planning page, linked at paragraph 2



10. 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.

11. 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.

### **Governance**

12. The Area Teams will ensure that the CCG/s and local authority take a joint report to the Health and Wellbeing Board to agree what the funding will be used for, any measurable outcomes and the agreed monitoring arrangements in each local authority area.

13. The Health & Wellbeing Board then approves the report which has appended to it the agreed Section 256 agreement between the local authority and NHS England. The agreement is signed by both parties.

14. A copy of each signed agreement should be sent to NHS England Finance Allocations Team at [england.finance@nhs.net](mailto:england.finance@nhs.net) so that a national review of the transfer can be undertaken.

### **Reporting**

15. NHS England will require expenditure plans by local authority to be categorised into the following service areas (Table 1 below) as agreed with the Department of Health. This will also ensure that we 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 2014-15 for transfer to local authorities</b>
<b>Service Areas-</b>
Community equipment and adaptations
Telecare
Integrated crisis and rapid response services
Maintaining eligibility criteria
Reablement services
Bed-based intermediate care services
Early supported hospital discharge schemes
Mental health services
Housing projects
Employment support
Learning disabilities services
Dementia services

Support to primary care	
Integrated assessments	
Integrated records or IT	
Joint health and care teams/working	
Other preventative services (please specify)	
Other social care (please specify)	
Other intermediate care (please specify)	
<b>(Subjective codes to be set up in level 8 52131000 parent 'purchase of social care')</b>	
<b>Total</b>	

Furthermore, as part of our agreement with local authorities, NHS England will ensure that it has access to timely information (via Health & Wellbeing Boards) on how the funding is being used locally against the overall programme of adult social care expenditure and the overall outcomes against the plan.

**Further considerations**

16. Area Teams to copy this letter to their local government colleagues.

17. NHS England will not place any other conditions on the funding transfers without the written agreement of the Department of Health.

If you require any further information, please contact Tim Heneghan, Senior Finance Lead, Financial Strategy & Allocation on 0113 82 50779 or email [tim.heneghan@nhs.net](mailto:tim.heneghan@nhs.net)

Yours sincerely



Sam Higginson  
Director of Strategic Finance

**Annex A - 2014/15 Funding by local authority & Area Team**