

EXECUTIVE BOARD COMMISSIONING SUB COMMITTEE
18 DECEMBER 2012

Title of paper:	NHS Transferred Funding (further allocation)	
Director(s)/ Corporate Director(s):	Candida Brudenell – Quality and Commissioning Helen Jones – Adult Assessment Ian Curryer – Corporate Director for Children and Families	Wards affected: All
Portfolio Holder(s):		Date of consultation with Portfolio Holder:
Report author and contact details:	Antony Dixon – Strategic Commissioning Manager 0115 8763491 antony.dixon@nottinghamcity.gov.uk	
Other colleagues who have provided input:	Ceri Walters Tony Maione - Solicitor	
Key Decision:		
	No	
Reasons for Key Decision:		
Revenue expenditure of £1,000,000 or more taking account of the overall impact of the decision		
Revenue income of £1,000,000 or more taking account of the overall impact of the decision		
Savings of £1,000,000 or more taking account of the overall impact of the decision		
Capital expenditure of £1,000,000 or more taking account of the overall impact of the decision		
Capital income of £1,000,000 or more taking account of the overall impact of the decision		
To be significant in terms of its effects on communities living or working in an area consisting two or more wards in the City		
Relevant Council Plan Strategic Priority:		
World Class Nottingham		
Work in Nottingham		
Safer Nottingham		
Neighbourhood Nottingham		
Family Nottingham		
Healthy Nottingham	✓	
Leading Nottingham		

Summary of issues (including benefits to citizens/service users):

This report contains recommendations for deployment of the remaining 2012/13 allocation of NHS transferred funding totalling £0.914m under a Section 256 Partnership Agreement with NHS Nottingham City.

RECOMMENDATIONS

It is recommended that:

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| 1 | The Committee gives approval to utilise the remaining social care element of NHS Transferred Funding totalling £0.914m for the purposes detailed in 2.1 |
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1 BACKGROUND

- 1.1 The 2010 Comprehensive Spending Review (CSR) included the transfer of monies from the NHS to Local Authorities by means of a section 256 Partnership Agreement. For Nottingham, this meant the transfer of £4.251m for 11/12 and £4.074m due for 12/13 from NHS Nottingham City to Nottingham City Council (NCC). This funding must be utilised for adult services social care purposes and deliver health outcomes.
- 1.2 In light of the significant reductions made to the housing related support (formerly Supporting People (SP) budget it was agreed at Full Council on 7 March 2011 that £2.1m would be allocated to commission housing related support services with a preventative and re-ablement focus in both 2011/12 and 2012/13. Approval for disbursement of this element of the Transferred Funding was granted at Executive Board Commissioning Sub-committee on 13 July 2011. The element of Transferred Funding that is the subject of this particular report will be henceforth called 'the Social Care element'. The amount available for disbursement for this purpose in 2012/13 is £1.974m.
- 1.3 At their meeting on 23rd May 2012 Committee approved expenditure of £0.950m of the 'social care' element of the 12/13 Transferred Funding allocation. A significant proportion of this allocation was utilised to fund early intervention initiatives identified as part of the 2011/12 strategic review process. It was agreed that the remaining funding would be allocated later in the financial year when the picture around financial and demographic pressures became clearer and to take account of ongoing work around Integrated Care.
- 1.4 Approval to spend a further £0.110m of the 12/13 Transferred Funding was obtained through Delegated Decision in July 2012 (Reference No. 0344) to fund the 'Enablement Gateway' pilot.
- 1.5 Nottingham City Council continues to face demographic pressures which are likely to increase demand for social care provision during the course of 2012/13. This in turn is likely to lead to financial pressures, both in respect of the cost of provision of services and assessment.
- 1.6 Following approval of recommendations for deployment of the social care element of NHS Transferred Funding a report will be tabled to the NHS Nottingham City Clinical Commissioning Group (CCG) for sign off. The CCG will be responsible for monitoring use of all Section 256 Partnership Agreement Funding with a particular focus on budget variation, activity levels and outcomes.

2 REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 To enable the social care element of NHS Transferred Funding to be utilised for the following purposes.

Activity	Cost
Intermediate Care Posts in CitiCare	£0.263m
Maintaining current eligibility criteria	£0.651m

- 2.1.1 Funding is required for Intermediate Care Posts to fulfil commitments made to the NHS whilst the review of the Independence Pathway strand of the Integrated Care element of the Adult Social Care Big Ticket programme is undertaken.
- 2.1.2 Nottingham's eligibility criteria for social care provision currently stands at 'high moderate' which is in the lower quartile when compared to all Local Authorities in England and Wales. The Adult Social Care budget is over-committed due to a combination of demographic and financial pressures. Allocation of funding for this purpose will enable the Authority to maintain existing eligibility criteria and, therefore, prevent the possible withdrawal of Care services from vulnerable citizens which, in turn could have a negative impact on demand for health services

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 An alternative to the proposed recommendations would be to open up the funding to bids. This would run the risk of a lack of strategic direction underpinning disbursement of funding and a failure to deliver City Council priorities. The funding allocation agreed by Committee on 23rd May included funding for new prevention focussed provision.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY)

- 4.1 £4.074m funding will be transferred to Nottingham City Council under Section 256 of the NHS Act 2006. A summary of approvals to date is listed below:
- £2.1m for housing related support expenditure approved by Executive Board Commissioning Sub Committee on 13 July 2011.
 - £0.950m for social care purposes approved by Executive Board Commissioning Sub Committee on 23 May 2012.
 - £0.110m for social care purposes (Enablement Gateway Pilot) approved by Delegated Decision in July 2012 (Reference No. 0344)

This report relates to the remaining spend of £0.914m as per **2.1** above.

- 4.2 The funding to maintain the current eligibility criteria will support demographic pressures currently being reported within the Adult Social Care budget in 2012/13. Additional funding is included within the Medium Term Financial Plan (MTFP) to support these demographic pressures in 2013/14.

- 4.3 It is indicated that a further transfer of funding from the NHS to the Local Authority will take place in 2013/14 and 2014/15. Whilst actual allocations have not been confirmed indicative allocations are £5.626m in 2013/14 and £5.895m in 2014/15. The agreement for the use of this funding from 2013/14 will be the subject of a further report to Executive Board Commissioning Sub Committee.
- 4.4 Committed funds not spent in 2012/13 will be carried forward through the appropriate methods to meet the future scheme commitments.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS, CRIME AND DISORDER ACT IMPLICATIONS AND EQUALITY AND DIVERSITY IMPLICATIONS)

- 5.1 Spend of NHS Transferred Funding social care element also needs to be signed off by the NHS Nottingham City CCG. Nottingham City Council commissioners have been working closely with colleagues from NHS Nottingham to facilitate this process.
- 5.2 The term 'section 256 Agreement' refers to section 256 of the National Health Service Act 2006. Section 256 provides a power for Primary Care Trusts to make payments towards expenditure on community services. It therefore allows NHS Nottingham City to make payments to the Council towards expenditure incurred or to be incurred by the Council in connection with the performance of any of the Council's functions which, in the opinion of NHS Nottingham City have an effect on the health of any individuals, have an effect on, or are affected by, any NHS functions or are connected with any NHS function. Payments may be made in respect of expenditure of a capital or of a revenue nature or a mixture of both.
- 5.3 Legal services have not reviewed nor seen the section 256 Agreement referred to in this report but consider the section 256 mechanism appropriate for the intended transfer of funds. It is recommended that legal services consider the section 256 Agreement to ensure that no undue or onerous risks accrue to the Council following its acceptance of any transferred funding.

6 EQUALITY IMPACT ASSESSMENT

- 6.1 An overarching Equality Impact Assessment is not required as the proposals contained within this report relate to existing service provision/areas with no substantive change.

7 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 7.1 Department of Health letter to PCT Finance Directors – 24 August 2011

8 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 8.1 Executive Board Commissioning Sub-committee report and minutes 13 July 2011 – NHS Transferred Funding (Housing Related Support Element).
- 8.2 Executive Board Commissioning Sub-committee report and minutes 23rd May 2012 – NHS Transferred Funding (Social Care Element).