

Lancashire Health and Wellbeing Board

Meeting to be held on 16 October 2014

Electoral Division affected:

'All/All'

Funding Transfer from NHS England to Adult Social Care 2014/15

Contact for further information:

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Executive Summary

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

This report provides information on the transfer to Lancashire County Council, how it will be made, and the allocations due to the County Council under Section 256 of the 2006 NHS Act.

Recommendation

The Health and Wellbeing Board is requested to agree the transfer of £25,291,529 from NHS England to Lancashire County Council as set out in this report.

Background

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.

The amount to be paid to Lancashire County Council from the Area Team is £25,291,529. This includes a payment in relation to integration of £4,598,000.

Legal basis for the transfer

The payment is to be made via an agreement under Section 256 of the 2006 NHS Act. NHS England will enter into an agreement with Lancashire County Council and this will be administered by the NHS England Area Team (and not Clinical Commissioning Groups). Funding from NHS England will only pass over to the Council once the Section 256 agreement has been signed by both parties.

Use of the funding

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

Better Care Fund (BCF)

As set out in the BCF Planning Guidance, each Health and Wellbeing Board must have agreed its Better Care Fund plan in order to have access to its share of the national £200m Better Care Fund allocated in 2014/15. For Lancashire, this amount is £4,598,000.

Remaining s256 transfer

The remaining national £900m will be subject to the same arrangements as the s256 transfer was in 2013/14. For Lancashire, the amount is £20,693,529. The key arrangements are summarised as follows.

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.

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 require 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 are intended to be the forum for discussions between the Area Teams, CCGs and local authorities on how the funding should be spent.

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.

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.

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.

Recommendation

The Health and Wellbeing Board is requested to agree the transfer of £25,291,529 from NHS England to Lancashire County Council as set out in this report.

The CCGs and Lancashire County Council have developed plans for spending on social care services in 2015/16 as part of the BCF plans. The Council intends to spend the NHS England transfer to social care funding in 2014/15 under these same plans.

As required by NHS England, the 2014/15 expenditure plans have been categorised as follows:

Service Area	£000
Community equipment and adaptations	5,532
Integrated crisis and rapid response services	1,614
Maintaining eligibility criteria	5,204
Reablement services	5,200
Telecare	787
Carer Services	6,955
	25,292

Consultations

'N/A'

Implications:

As set out in the report

Risk management

You must include a paragraph which outlines the risk management implications of following or not following the proposals contained in the report

Legal

The transfer of this funding will be subject to an agreement made between the County Council and NHS England under the provision of s256 of the NHS Act 2006. Such agreement imposes certain obligations and conditions on the County Council as recipient of this funding.

Financial

The Council will be unable to meet its financial obligations in relation to the relevant contracts and services if the funding transfer is not agreed.