

To: Health and Well-being Board

From: Claire Hollingworth, Brian Hanford and Simon Brake. A Joint report from C&R CCG, the NHS Commissioning Board (NHS England) Area Team (Coventry, Warwickshire, Herefordshire & Worcestershire) and Coventry City Council.

Date: 24th June 2013

Subject: Joint Social Care and Health (Section 256) Grant Proposal for 2013/14

Purpose

To inform the Health and Well-being Board how the City Council is planning to use the monies transferred under joint social care and health monies for 2013/14

Background

On December 19th 2012, Shaun Gallagher, Department of Health Director General, Social Care, Local Government and Care Partnerships, wrote to Paul Baumann, Chief Financial Officer NHS Commissioning Board, advising him of the Funding transfer from the NHS to social care in 2013/14 (Gateway reference: 18568) From 2013/14, the funding transfer to local authorities will be carried out by the NHS Commissioning Board (attached). The DH advised that it intended to make directions to the NHS Commissioning Board, under Section 256 (5A)(5B) of the 2006 NHS Act, that for the 2013/14 financial year, the Board will transfer £859 million from its global allocation to local authorities, and for Coventry, this amounts to £5,551,509 to be transferred in 2013/14.

This directive does not indicate funding levels for future years, although it is anticipated that this funding will remain in place for the remainder of the current national government comprehensive spending review (up until March 31st 2015). This represents an increase on previous years' allocations, and In the 2011/12 Operating Framework for the NHS in England, the Department set out that PCTs would receive allocations totalling £648 million in 2011/12 and £622 million in 2012/13 to support adult social care. For Coventry, this amounted to £4,242,000 and £4,043,000 respectively.

Use of the funding

The DH as specified that the funding must be used to support adult social care services in each local authority, which also has a health benefit and considers that Health and wellbeing boards will be the natural place for discussions between the Board, clinical commissioning groups and local authorities on how the funding should be spent, and what outcomes will be achieved, as part of their wider discussions on the use of their total health and care resources.

As a requirement of the Health and Social Care Act 2012, the NHS Commissioning Board must make it a condition of the transfer that local authorities and clinical commissioning groups 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. The Board must 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 NHS Commissioning Board may use the funding transfer 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 NHS Commissioning Board may also use the funding transfer to support new services or transformation programmes, again where joint benefit with the health system and positive outcomes for service users have been identified.

The *Caring for our future* White Paper also set out that the transfer of funding can be used to cover the small revenue costs to local authorities of the White Paper commitments in 2013/14 (excluding the Guaranteed Income Payments disregard, which is being funded through a grant from the Department of Health). The Board should have regard to this when reaching agreements with local authorities.

As part of its agreement with local authorities, the NHS Commissioning Board must ensure that it has access to timely information on how the funding is being used locally, in order to assure itself that the conditions for each funding transfer are being met.

Proposed Commitments for 2013/4 for Coventry

It is proposed that the funding is transferred to the local authority under an NHS Act (2006) S 256 agreement, and that expenditure is committed in line with existing priorities, those outlined in the Joint Strategic Needs Assessment of the Coventry Health & Wellbeing Board, the Health and Wellbeing Strategy, and monitored and reviewed by the Adult Commissioning Board, a joint Board of the Coventry & Rugby CCG and the City Council, comprising accountable chief officers from both organisations, and the City Council's **abc** transformation programme.

The Adult Commissioning Board will monitor the expenditure regularly in order to ensure that it demonstrates an improvement in the support to adult social care services in Coventry, which also has a health benefit, and that it will make a positive difference to social care services, and outcomes for service users across the city. An annual report will be made to the Health & Wellbeing Board from the Adult Commissioning Board, describing the expenditure and outcomes, which will be

submitted to the CCG Board, City Council & NHS England Area Team, and the S256 agreement will be subject to audit by the relevant organisational audit committees.

Next Steps

Coventry City Council will submit an appropriate Section 256 agreement to the Coventry, Warwickshire, Hereford and Worcestershire Area team of the NHS Commissioning Board, based on this Health & Wellbeing Board paper, and subsequently arrange for the transfer of the relevant funding as soon as possible.